



Daily Report

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NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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General

Li Peng Meets Outgoing, New Foreign Envoys

OW0207121890 Beijing XINHUA in English
1132 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—Chinese Premier Li Peng met and had a cordial conversation with four foreign ambassadors to China here today.

They are out-going Mauritian Ambassador Dhurma Gian Nath, new Chilean Ambassador Eduardo Bravo Woodhouse, new Czechoslovak Ambassador Borivoj Cuda and new Syrian Ambassador Lutfallah Haydar.

UN Officers Observe PRC Census Effort

OW0107133290 Beijing XINHUA in English
1227 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—Four senior officers from the United Nations Population Fund observed the world's largest census here today.

The U.N. group, headed by Abdul Muniem Abu-Nuwar, technical officer of the Population Data, Policy, and Research Branch of Technical and Evaluation Division under the United Nations Population Fund, arrived in Beijing yesterday to make an on-the-spot observation on China's fourth census which began at zero hour this morning.

The U.N. officers started their work in a small house located in the West Changan Avenue in downtown Beijing when census taker Zhang Yanjun began to register the members of the family.

Zhang Yanjun is a 26-year-old bank clerk. She said she had received a two-month training in population registration after she was recruited for this temporary job.

The family to be registered consisted of the head of the household, his wife and their two sons. They were waiting at home for the registration, as they were previously told.

Zhang Yanjun asked questions about each of their name, age, education and occupation and filled a registration form with 21 items. After having a careful check item by item, she asked, politely, the family head to sign his name at the bottom of the form.

When the registration for the first family was over, Abu-Nuwar smiled with satisfaction.

Obviously impressed by the whole process, Abu-Nuwar said that the registration items were pretty detailed and the job was well done, especially with a signature to insure the reliability of the registration. "All this is new to me," he added.

Abu-Nuwar is from Jordan and has sponsored three censuses in Jordan and countless ones in other countries.

He said: "To compare the experience of the census in China with those in other countries will enhance my knowledge in this field."

He said he believed that the final data of the census would be very useful to the future work of the United Nations Population Fund.

He also said that he was very impressed by the quality of the census, the coordination of the work, and the skill of the census takers in handling the sophisticated computers.

Wherever he went, he said, he saw that people had already known why the census was conducted and how to do it. That meant, he said, a very good publicity job had been done beforehand.

"I am very confident that China's current census will be a success," Abu-Nuwar said.

Delegation To Recommend PRC To Join Protocol

OW3006044190 Beijing XINHUA in English
2346 GMT 29 Jun 90

[Text] London, June 29 (XINHUA)—The Chinese delegation to the London International Ozone Conference tonight said they will recommend its government to join an amended Montreal Protocol as the meeting had made some healthy progress in the amendment.

Wang Yangzu, head of the delegation, also told the closing session of the conference that China will as ever exert its efforts to co-operate with other countries in achieving the goal set by the amendment to the Montreal Protocol.

The Montreal Protocol on the protection of the ozone layer was adopted in 1987. By now 65 countries have signed the treaty to phase out ozone-eroding chemicals like chlorofluorocarbons (CFCs) and halons.

China did not join the protocol as the 1987 ozone protection program, though good-intended as a whole, has some articles imbued with discriminations to developing countries.

China has made it clear that it is the developed nations that have caused damages to the ozone layer by using huge amount of ozone-depleting chemicals in disproportion with a lesser population. They should shoulder the responsibility to assist developing countries in finance and technology in fighting harmful chemicals if they are sincere to restore the ozone layer, Mr Wang said earlier at the London Conference.

China proposed the transfer of ozone-friendly technology to developing countries and the setting up of an international funding mechanism to help the developing countries acquire substitutes to CFCs and halons and other damaging chemicals at the Helsinki Ozone Meeting last year.

The London Conference has taken into consideration China's proposals and written them into the amendment to the Montreal Protocols.

Mr Wang said: "The London Conference has completed the work of the amendment and made healthy progress for the real co-operation in the worldwide protection of the ozone layer."

Mr Wang told a press conference on Thursday that China would seriously consider acceding to the Montreal Protocol and ratify its amendment.

India, another big developing country that did not sign the Montreal Protocol because of discriminative restrictions, today also expressed its wishes to seriously consider acceding to the amended Montreal Protocol, approved at the London meeting.

Further on Montreal Protocol

OW 3006075690 Beijing XINHUA in English
0618 GMT 30 Jun 90

[Text] London, June 29 (XINHUA)—The international ozone conference which wound up here tonight represented a step forward in world-wide efforts to protect the ozone layer from further damages.

Environmental ministers and high officials from over 100 countries, including non-parties to the 1987 Montreal Protocol went through heated debates before they agreed on an amendment to the protocol.

"The ministers of developing and developed countries have struck a precedent-setting bargain," said Dr Mostafa Tolba, executive director of the United Nations Environment Program (UNEP). "They have made the Montreal Protocol a fair and much more rigorous international agreement," he added.

The original signatories of the Montreal Protocol decided 34 months ago to reduce the consumption and production of chlorofluorocarbons (CFCs) by 50 percent by 1999. Now ministers at the London meeting have agreed on an amendment to accelerate the timetable by a total phase-out of CFCs by 2000.

Other ozone-depleting chemicals are also included in either a phase-out like halons and carbon tetrachloride or a sharp reduction of use like methyl chloroform.

One major achievement of the London meeting was the decision to set up an international fund initiated by China at last year's Helsinki ozone conference.

As there is a three-year transitional period from now to the ratification of the amendment by all the parties of the Montreal Protocol, it was decided to make a three-year budget (1991-1993) of 160 million U.S. dollars.

The sum is expected to increase to 240 million dollars as China and India have announced that they will consider joining the amended Montreal Protocol.

The London conference decided to set up an executive committee of 14 Montreal Protocol parties—seven industrialized and seven developing countries—for the disbursement of the money.

China and other developing countries have made it clear that the present depletion of the ozone layer is mainly caused by great consumptions of harmful chemicals in industrialized countries over many years.

These countries must commit themselves to a transfer of ozone-friendly technology to developing countries with no profit-making conditions attached if they are sincerely for the interests of all human beings, said Wang Yangzu, head of the Chinese delegation.

But some big developed countries seemed reluctant to do so.

Mr Tolba said, "None of these decisions was reached easily. There was a year of intensive formal and informal negotiations."

He added, however, that while the Montreal conference in 1987 was a "promising start to global environmental co-operation," "the London conference in 1990 is an illustrious beginning to the last decade of the 20th century."

Mongolian Prime Minister on Open Policy, Economy

OW 2906104590 Beijing XINHUA in English
0712 GMT 29 Jun 90

[Text] Ulaanbaatar, June 29 (XINHUA)—Mongolia's open policy implies full cooperation with the Soviet Union and China, and mutual-benefit cooperation with all other countries irrespective of differences in ideology and social systems.

Mongolian Prime Minister Sharabyun Gungaadori made the comment during a recent interview with Japanese correspondents, which appeared today in the leading Mongolian newspaper UNEN.

Economically, he said, the open policy chiefly refers to technological renovations and introduction of foreign technology which will improve the production of commodities needed in the world market.

The country's economy will enter a market system beginning next year, the prime minister claimed, adding that a ownership law will soon be adopted to allow a multiple economic ownership system in the country.

Gungaadorj said Mongolia is still a socialist country which is seeking to establish a humanitarian and democratic socialist system.

Observers here said Mongolia is striving to develop trade relations with Western countries such as Japan, the United States and Britain, following its adoption of an open policy at the 7th Session of 19th Congress of the Mongolian People's Revolutionary Party in December 1989.

Meanwhile, the country has opened up similar ties with Asian countries and regions such as South Korea, Singapore, Thailand and Hong Kong.

International Automobile Exposition Slated

OW3006093390 Beijing XINHUA in English
0714 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—An international automobile exposition will be held from July 3 to 8 at the Beijing international exhibition center, a spokesman for the China Automotive Industry Corporation announced here today.

About 400 manufacturers from 17 countries and regions will participate in the week-long show. Among the exhibitors will be the United States, Britain, Federal Germany, Japan, France, Italy, Switzerland, Canada and Hong Kong, the spokesman said.

On display will be 170 automobiles and major automotive manufacturing techniques and components, the spokesman said, adding that a series of trade talks and technical exchanges will be arranged for Chinese and foreign manufacturers during the fair.

He explained that the exposition will help promote China's automotive industry and boost Sino-foreign technological co-operation in this field.

Northeast Asia

Further on Li Tieying's Visit to Japan

Meets Japanese Prime Minister Kaifu

OW0207122190 Beijing XINHUA in English
1149 GMT 2 Jul 90

[Text] Tokyo, July 2 (XINHUA)—Japanese Prime Minister Toshiki Kaifu and Chinese State Councillor and Minister of the State Education Commission Li Tieying called here today for joint efforts to further promote the friendship between the two countries.

During their almost one hour meeting at the prime minister's official residence, Li conveyed to Kaifu an oral message from Chinese Premier Li Peng calling for the furtherance of Sino-Japanese friendly relations, Chinese officials here said.

According to the officials, Kaifu pledged that the Japanese Government will earnestly carry out the agreements reached between the two governments.

In the mean time, he said he hoped that China will continue to push forward its process of reform and opening up to the outside world.

Kaifu also said that so long as the two governments and politicians of the two countries keep and increase dialogues, problems that may occur in bilateral relations will surely be solved.

Even if great changes have taken place in the world, Japan and China should step up their cooperation in promoting peace and stability in Asia, Kaifu was also quoted as saying to Li.

Li Tieying, who arrived here last Saturday, said China and Japan are friendly neighbouring countries, between which special relations have been developed.

It has always been an important part of China's foreign policy to promote the friendly ties between China and Japan, Li stressed.

Li noted that the bilateral relations have now entered an important period of development.

Earlier in the day, Li met with Yoshio Sakurachi, speaker of the House of Representatives, and other Japanese officials and business people.

Further on Meeting With Kaifu

OW0307072890 Beijing XINHUA Domestic Service
in Chinese 1324 GMT 2 Jul 90

[Reporters Jiang Yuzhe (5592 6276 3181) and Jiang Zhanguo (1203 0594 0948)]

[Text] Tokyo, 2 July (XINHUA)—Japanese Prime Minister Toshiki Kaifu expressed the hope here today that the friendly relations between Japan and China will develop in a long-term and stable way.

The above remark was made by Kaifu when he met with Li Tieying, China's state councillor and minister in charge of the State Education Commission, who is now visiting Tokyo.

Kaifu said: The world situation is undergoing profound changes. As two countries in Asia, Japan and China should strengthen cooperation in promoting peace and stability in Asia.

He said that as long as Japan and China make joint efforts and step up dialogue, some problems that exist between Japan and China surely will be solved. The Japanese Government earnestly will carry out the agreements reached between the two governments.

In the meantime, he said he hoped that China will continue to push forward the process of reform and opening to the outside world.

Li Tieying conveyed to Kaifu the greetings from General Secretary Jiang Zemin and Premier Li Peng and an oral message from Premier Li Peng on the furtherance of Sino-Japanese friendly relations.

Li Tieying said that China and Japan are friendly neighboring countries. There is a special relationship between the two countries. The current friendly relations between China and Japan are the outcome of the great efforts made by the older generation of politicians from two countries. This outcome did not come about easily.

He said: The Chinese Government has always made the development of friendly ties between China and Japan an important part of China's foreign policy. Even if great changes take place in the world, or if any changes occur in both countries, the development of friendship between China and Japan generations after generations is in accord with the fundamental interests of the peoples of the two countries.

He said that the bilateral relations have now entered an important period of development. He expressed the hope that politicians of the two countries would proceed from these fundamental interests of two countries and continuously contribute to the development of relations between the two countries.

Li Tieying also briefed Kaifu on China's reform and opening to the outside world and China's independent foreign policy.

China's ambassador to Japan Yang Zhenya was present at the meeting.

Yoshio Sakurachi, speaker of the House of Representatives; Ryoichi Kawaai, chairman of the Japanese-Chinese Economic Association; Keiwa Okuda, Home Affairs Minister; and Kosuke Hori, education minister met with Li Tieying and his party today respectively.

At the meeting between Educational Minister Kosuke Hori and Li Tieying, both sides expressed satisfaction over educational, cultural, and sports exchanges between the two countries. Both sides also stressed that exchanges in those areas are an important part of Sino-Japanese friendly and cooperative relations. They both expressed the hope of strengthening contacts and cooperation to achieve new development and new results in Sino-Japanese relations, particularly in the areas of educational exchanges in the 1990s.

Japanese Official Fetes Li Tieying

HK0307085090 Beijing RENMIN RIBAO in Chinese
1 Jul 90 p 6

[Report by Yu Qing (0060 7230): "Japanese Government Gives Banquet To Welcome Li Tieying"]

[Text] Tokyo, 30 Jun (RENMIN RIBAO)—Tonight, on behalf of Japanese Prime Minister Toshiki Kaifu, Chief Cabinet Secretary Misoji Sakamoto met and feted State Councillor Li Tieying and his entourage in Tokyo. Sakamoto first extended a welcome on behalf of the Japanese Government and wished State Councillor Li Tieying and his entourage a successful visit.

At the meeting, both sides reviewed the history of the development of Sino-Japanese relations and mentioned such Chinese revolutionaries of the older generation as Chairman Mao Zedong and Premier Zhou Enlai and such Japanese statesmen of the older generation as Kenzo Matsumura, who made great efforts to restore and develop Sino-Japanese relations before the two countries restored their diplomatic relations. Through

the historical experience in the development of Sino-Japanese relations both sides achieved the consensus that China and Japan should maintain friendship from generation to generation.

Both sides also agreed that as statesmen of the new generation they should carry forward the aspirations and tradition of the statesmen of the older generation and make joint efforts to advance Sino-Japanese friendship.

Sakamoto said: There are fine as well as cloudy days in Japanese-Chinese relations. When problems appear, the two sides should properly deal with the problems according to the fundamental principle that Japan and China should maintain friendly relations from generation to generation.

Li Tieying expressed his agreement and said: The Chinese leaders have always considered the maintenance and development of Sino-Japanese friendship as an important part of China's foreign policy. The development of Sino-Japanese friendship is in the common interests of both countries. No matter what stormy waves we may encounter, both sides should strive to maintain and develop Sino-Japanese friendship which did not come easily.

Li Tieying also indicated that during his current visit he would extensively contact old friends and make new friends and he expressed gratitude for Sakamoto's hospitality on behalf of Prime Minister Kaifu.

Chinese Ambassador to Japan, Yang Zhenya, was present at the meeting and banquet.

State Councillor Li Tieying is visiting Japan as the representative of the Chinese Government at the invitation of the Japanese Government. He will preside over the "China Day" ceremony at the Osaka International Flower Exhibition on 5 July.

Premier Li Peng Meets Japanese Visitors

OW0207123890 Beijing XINHUA in English
1129 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—Chinese Premier Li Peng met here this afternoon with a visiting group from the Japanese Mitsubishi Heavy Industries Ltd., which is led by its chairman Yotaro Iida.

Li first congratulated Iida on his new post as vice president of the Japan Economic Groups Federation.

He expressed the wish that Mitsubishi will further develop its cooperation with China in the steel, iron and power sectors.

Iida described the purpose of their current visit as to brief relevant Chinese departments on Mitsubishi's new products, new technology, and to explore possibilities of further cooperation with China.

Vast potentials still exist for cooperation in the power sector, he said.

Li, briefing the visitors on China's efforts in the economic revamping, said industrial production is beginning to pick up, and the power industry will occupy an important position in future economic development.

For a period of time from now, he said, pace will not be the main thing for China's economic development. What counts as important is a restructuring of the industrial set-up and further enhancement of economic results, he added.

Li also urged Mitsubishi and the Economic Groups Federation to work towards the restoration and expansion of Sino-Japanese friendly, cooperative relations.

Wang Zhen Meets Japanese Visitors

OW0207124090 Beijing XINHUA in English
1141 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—Chinese Vice-President Wang Zhen met with Japanese political commentator Hayasaka Shigezo, and his party here today.

Shigezo, who used to be secretary to former Japanese Prime Minister Tanaka Kakuei, forwarded a letter from former Japanese Prime Minister Noboru Takeshita to Wang Zhen, and Wang expressed his thanks.

Wang briefed the visitors on China's domestic situation.

He said the third collective leadership of the Chinese Communist Party (CPC) with Jiang Zemin as its core is strong and promising. This fully demonstrates that the choice made by the second collective leadership with Deng Xiaoping as its core was totally correct, he added.

Asked about his views on current Sino-Japanese relations, Wang Zhen said that since the June 4 event last year some Western powers have imposed sanctions on China, and this is a gross interference in China's internal affairs.

He said that the Chinese people do not fear any sanctions, economic or political. No threats made against China can intimidate the Chinese people. Quite the contrary, he said, this sort of thing will boost the morale of the Chinese nation.

He said China has taken note and is appreciative of the dignitaries in the political circles of some countries including Japan who oppose the attitude of imposing sanctions against China.

He said the friendship between China and Japan and their people has a deep foundation. He added that he hoped the Japanese side would proceed from the overall situation and make decisions which will further promote the healthy development of the bilateral relations between the two countries.

He stressed that China is a peace-loving country that is dedicated to economic construction. It stands for developing relations with all countries on the basis of the Five Principles of Peaceful Coexistence.

The imposition of sanctions against China will benefit neither those who impose them nor the stability and peace of the world, he said.

Central Committee Member Leaves for Japan

OW0207090690 Beijing XINHUA in English
0745 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—Zhu Liang, a Central Committee member of the Communist Party of China (CPC) and head of the International Liaison Department of the CPC Central Committee, left here today for a visit to Japan at the invitation of the Liberal Democratic Party (LDP) of Japan.

According to a spokesman of CPC's International Liaison Department, LDP's international bureau head Aichi Kajio had visited China in April this year, who exchanged views with CPC on contacts and exchanges between the two parties.

The spokesman said both sides held that contacts and exchanges between the two ruling parties will promote relations between the two countries and the two peoples.

Jiang Meets Reunification Delegation From DPRK

OW0207100790 Beijing XINHUA in English
0934 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—Chinese Communist Party leader Jiang Zemin today stressed the importance of maintaining domestic stability and pushing the economy forward.

Jiang, general secretary of the party Central Committee, during a meeting with a delegation from the Democratic Front for the Reunification of the Korean Fatherland, said that according to China's experience, this is the key to success for developing countries.

Jiang described Sino-Korean ties as "time-honored and cemented with blood."

"We in China treasure Sino-Korean friendship as both our countries are building socialism. The regular exchange of views by leaders of the two countries is useful in deepening mutual understanding," he told the Korean visitors, led by the president of the front's presidium, Yom Tae-chun.

Yom Tae-chun said President Kim Il-sung's visit to China last year and Jiang Zemin's visit to Korea in March this year have brought a new period of development to Sino-Korean relations.

Thanking China for its support of the Korean people in their socialist construction and national reunification, Yom wished the Chinese people success in reunifying their country under the principle of "one country, two systems."

Hong Xuezhi, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, was also present at the meeting.

Wang Renzhong Meets DPRK Delegation

*OW0107113890 Beijing XINHUA in English
1116 GMT 1 Jul 90*

[Text] Beijing, July 1 (XINHUA)—Wang Renzhong, vice chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), met and gave a banquet here this evening for a delegation from the Democratic Front for the Reunification of the Fatherland, the Democratic People's Republic of Korea (DPRK), which is led by the president of its presidium, Yom Tae-chun.

The DPRK visitors arrived here yesterday as CPPCC's guests, who are scheduled to tour Shanghai, Shenyang and Harbin after their visit to Beijing.

Editorial on Anniversary of Korean War

*SK0207005290 Beijing International Service
in Korean 1100 GMT 26 Jun 90*

[Text] NODONG SINMUN of the DPRK yesterday carried an editorial, on the occasion of the 40th anniversary of the outbreak of the Korean War.

The editorial claimed that, in deference to the desire and will of the Korean people for realizing peaceful reunification, the United States should withdraw all nuclear weapons and troops from South Korea as soon as possible and discontinue its intervention in Korean internal affairs.

The editorial also noted that Korea has made great efforts to cure the war scars since the armistice was signed, and that Korea has put forward peaceful proposals, such as tripartite talks involving North and South Korea and the United States, and multinational disarmament talks.

The editorial claims that, even though 37 years have passed since the armistice was signed, peaceful proposals, however, have not been realized, because the United States has pushed antipeaceful and antireunification policies.

In addition, the editorial claims that easing the tense situation on the Korean peninsula, eliminating the danger of war, and realizing perpetual peace are not only grave issues related to the life and death of the Korean people, but also issues closely related to Asia and to peace and stability of the world. Therefore, realizing arms cut on the Korean peninsula is a basic condition for guaranteed peace.

Southeast Asia & Pacific

Indonesian Foreign Minister Continues Visit

Alatas Visits Asian Games Village

*OW0207122890 Beijing XINHUA in English
0638 GMT 2 Jul 90*

[Text] Beijing, July 2 (XINHUA)—Indonesian Foreign Minister Ali Alatas, his wife and their party visited the Asian Games Village here this morning.

In a high spirit, Alatas and his party visited the Olympic sports center, multiple-functional gymnasium, swimming gym and international conference center.

While they were shown around, they asked questions on the preparations of the 11th Asian Games and construction of the games projects.

Alatas said that the buildings and gyms for the games are well planned and very modern and he was confident in the success of the Asian Games to be held in Beijing this September.

Afterwards, the Indonesian guests enjoyed Chinese and Indonesian programmes performed by the Chinese artists of the China Oriental Song and Dance Ensemble.

Qian Qichen, Alatas Continue Talks

*OW0207113690 Beijing XINHUA Domestic Service
in Chinese 1128 GMT 2 Jul 90*

[Text] Beijing, July 2 (XINHUA)—In an atmosphere of friendship, Chinese Foreign Minister Qian Qichen and his Indonesian counterpart Ali Alatas continued their formal talks here this afternoon, with an indepth exchange of views on bilateral relations, the Cambodia issue and other issues of mutual concern.

Both Qian and Alatas expressed satisfaction with the positive developments in bilateral relations, considering the latter's visit to China as of historic significance.

They believed that a new chapter will open in Sino-Indonesian relations, which will benefit not only the two countries, but the peace and stability in Asia as well.

After the talks, on behalf of their governments the two foreign ministers signed an agreement on the settlement of Indonesia's debt obligations to China.

Qian, Alatas Critical of Cambodia Talks

*OW0207171990 Tokyo KYODO in English 1435 GMT
2 Jul 90*

[Text] Beijing, July 2 KYODO—China and Indonesia moved one step closer to resuming diplomatic ties Monday with Premier Li Peng's acceptance of an invitation to visit Jakarta and the signing of an accord on 84 million dollars in Indonesian debt to Beijing.

Li announced his intention to make a state visit to Indonesia "with pleasure" to assist the normalization process in talking to reporters after a meeting with Indonesian Foreign Minister Ali Alatas.

Alatas conveyed a personal invitation from Indonesian President Suharto for Li to visit his country. An official announcement of the reopening of ties is considered imminent.

Two earlier meetings between Alatas and Chinese Foreign Minister Qian Qichen produced the agreement on repaying the debt. The two also discussed concrete terms for the reopening of relations.

But Alatas told reporters details on the contents of the sessions would have to wait for a joint press conference to be held Tuesday, when the Indonesian envoy will meet Communist Party General Secretary Jiang Zemin.

Indonesia's 84 million dollar debt to China was one of the last major issues dividing the two nations. Indonesia froze ties with China in 1967 in accusing that China backed a communist coup in the country.

Both Alatas and Qian criticized the results of the Tokyo conference on Cambodia held in early June during their discussions, Indonesian diplomatic sources said.

Alatas reportedly warned of the dangers of any partial agreement, stressing that anything less than a comprehensive political settlement was meaningless. Indonesia has hosted three international conferences in an attempt to bring an end to the Cambodian conflict, now in its 11th year.

Qian said any lasting accord must correspond to the Paris round of negotiations recognizing four, individual factions in the civil war. The minister praised the three Jakarta sessions but had harsh words for Tokyo.

"That kind of (negotiating) style is troubling," was quoted [as received] as saying, implicitly criticizing Tokyo's conduct of the conference.

The Tokyo conference June 4 and 5 produced a three-party communique on a settlement, leaving out the Chinese-backed Khmer Rouge, militarily the most powerful of the three resistance factions.

Qian also said better ties with Indonesia would help deepen his nation's links with the Southeast Asian region.

Diplomatic sources said the remark was directed at Singapore, which is watching the rapprochement between Beijing and Jakarta closely, leaning toward its own establishment of ties with China.

Li Peng Meets Alatas

OW0207144490 Beijing XINHUA Domestic Service in Chinese 1254 GMT 2 Jul 90

[By reporters Li Huailin (2621 2037 2651) and Zhou Cipu (0719 1964 2613)]

[Text] Beijing, 2 July (XINHUA)—Li Peng, premier of the State Council, said here today: The restoration of relations between China and Indonesia, two big countries of Asia, is an important international event.

Li Peng said these words during a meeting with the Indonesian Foreign Minister Ali Alatas, who is currently on a visit to China.

Li Peng said: The restoration of Sino-Indonesian relations is not only in line with the interests of the two countries' peoples, but also extremely important to safeguarding peace and stability in Asia.

The meeting was held at the Fujian Room of the Great Hall of the People. It began with Li Peng extending his warm welcome to Alatas. Alatas also conveyed the warm regards of President Suharto to Premier Li Peng.

Alatas said that during the present visit his talks with Foreign Minister Qian Qichen have been most satisfying.

Li Peng congratulated them for the success in their talks.

He said: China wishes to maintain good relations with neighboring as well as ASEAN countries.

Li Peng said: "We appreciate the insistence of a one-China policy by the Indonesian Government under the leadership of President Suharto. This policy is upheld even when there is no diplomatic relations between the two countries."

Alatas said: Relations between Indonesia and China will soon enter a new chapter. During the present situation of great changes in the world, it is particularly important for Indonesia and China to develop friendly relations.

He said: Indonesia fully understands China's stance on the Taiwan issue. Indonesia has always maintained continuity in its foreign policy, and will not change its one-China policy.

After the meeting, Li Peng hosted a banquet for Alatas and his wife. Premier Li Peng's wife, Zhu Lin, and Foreign Minister Qian Qichen were present at the banquet.

Li Peng-Alatas Talks Reported

BK0207141990 Beijing International Service in Indonesian 1330 GMT 2 Jul 90

[Excerpts] Prime Minister Li Peng met with Indonesian Foreign Minister Ali Alatas at the Great Hall of the People this evening. During the occasion, Prime Minister Li Peng extended his warm welcome to Minister

Alatas, who thanked the PRC prime minister for the warm welcome. Minister Alatas said he was very satisfied with the outcome of his talks with PRC Foreign Minister Qian Qichen. Prime Minister Li Peng, meanwhile, congratulated him on the successful talks, adding that the normalization of diplomatic relations between the two big Asian countries will be an important event in the international arena. The event will not only serve the PRC's and Indonesia's interests, but also serve as an important means to safeguard peace and stability in Asia.

Prime Minister Li Peng said the PRC pursues a peaceful and independent foreign policy while at the same time carrying out economic development within the country. To develop its economy, the PRC needs a stable situation, both inside and outside the country. The PRC is ready to forge close relations with its neighboring countries, including ASEAN countries. The PRC is ready to foster friendly cooperation with Indonesia and other ASEAN countries based on the Five Principles of Peaceful Coexistence.

Prime Minister Li Peng said the PRC appreciates the one-China policy firmly adopted by the Indonesian Government under the leadership of President Suharto. The Indonesian Government continued to follow the one-China policy despite the freezing of diplomatic relations between the two countries.

Minister Alatas said a new chapter in Sino-Indonesian relations will begin. The development of friendly relations between Indonesia and the PRC will be even more significant in view of the current great changes taking place in the world. Minister Alatas said Indonesia fully understands the PRC's stand on the Taiwan issue. Indonesia always maintains the continuity of its foreign policy. Indonesia will not change its one-China policy.

After the talks, Prime Minister Li Peng hosted a banquet for Minister Alatas and his wife at the Great Hall of the People. Also present at the banquet were Mrs. Li Peng and Minister Qian Qichen.

At about 1300 West Indonesian Time [0600 GMT] this afternoon, Minister Qian Qichen and Minister Alatas held a second round of talks at the Diaoyutai Guest House. [passage omitted]

At 1530 West Indonesian Time this afternoon, Minister Qian Qichen and Minister Alatas signed a bilateral agreement on the settlement of Indonesia's debt to the PRC. The two sides then exchanged documents on the agreement.

Journalists Interview Li Peng

BK0207151290 Beijing international Service in Indonesian 1330 GMT 2 Jul 90

[Text] Herewith is Prime Minister Li Peng's interview with Indonesian journalists after he met with Indonesian Foreign Minister Ali Alatas this evening.

Replying to a question on the Sino-Indonesian talks today, Prime Minister Li Peng said the talks had thus far been successful and smooth. We had of course exchanged views on international and bilateral issues, but the most important issue was the normalization of bilateral diplomatic relations. The issue is an important one that has drawn the attention of the governments and people of the two countries.

The PRC and Indonesia will develop comprehensive relations in various fields based on the Five Principles of Peaceful Coexistence, including the political, economic, cultural, and educational fields as well as trade relations. The talks are still in progress, but Prime Minister Li Peng added: I can say that the talks have proceeded very smoothly.

Replying to a question on the Cambodian problem, Prime Minister Li Peng said the PRC and Indonesian foreign ministers had discussed the matter. Due to time constraints during the talks today, the two sides only managed to give their own views on the settlement of the Cambodian problem. Prime Minister Li Peng said the stand adopted by the two sides on the Cambodian issue is already well known. The PRC is ready to support Indonesia's stand in seeking a just, rational, and comprehensive settlement of the Cambodian issue. The PRC is ready to do its best toward that goal and provide a flexible response. A flexible response means a principled response.

Prime Minister Li Peng said the PRC highly respects the views adopted by Cambodia. In other words, the PRC respects the views of the four Cambodian factions.

Further on Li Peng Interview

OW0207162690 Beijing XINHUA in English 1430 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—China is willing to develop overall friendly, co-operative relations with Indonesia on the basis of the Five Principles of Peaceful Coexistence, Chinese Premier Li Peng said here this afternoon.

That relationship should cover the fields of politics, economics, trade and culture, he told Indonesian journalists travelling with their foreign minister, Ali Alatas, who is here on an official visit.

As Li stepped out of a reception hall in the Great Hall of the People, where he had met Alatas, the Chinese premier shook hands and took photos with the Indonesian journalists, who jumped at the chance to question him on his talks with Alatas.

The negotiation process between China and Indonesia for restoring diplomatic relations is progressing, Li said.

The talks between Chinese Foreign Minister Qian Qichen and Alatas went "very successfully and smoothly," he added.

China supports Indonesia's stance on the necessity for a just, reasonable and complete solution to the Cambodia issue, Li said, adding that China is willing to make efforts in a flexible way to this end.

He went on to clarify this statement by saying that any approaches should be based on the principle of respecting the opinions of the four political factions of Cambodia.

Li Peng To Visit Indonesia

OW0207133990 Tokyo KYODO in English 1233 GMT
2 Jun 90

[Text] Beijing, July 2 KYODO—Chinese Premier Li Peng announced Monday his intention to visit Indonesia at the invitation of President Suharto to assist in the normalization of ties between the two countries.

Li made the statement after discussions with visiting Foreign Minister Ali Alatas. An agreement earlier in the day cleared away the last major issue separating the two countries, Indonesia's 84 million dollar outstanding debt to Beijing.

Relations between the two countries have been frozen since 1967 when Jakarta accused China of backing a communist uprising on its soil.

Joint Communiqué on Resuming Ties

OW0307093690 Beijing XINHUA in English
0916 GMT 3 Jul 90

[Text] Beijing, July 3 (XINHUA)—Chinese Foreign Minister Qian Qichen and Indonesian Foreign Minister Ali Alatas here this evening signed the communiqué between Chinese and Indonesian governments on the resumption of diplomatic relations between the two countries. The communiqué is as follows:

The government of the People's Republic of China and the government of the Republic of Indonesia, in conformity with their agreement reached in Tokyo on February 23, 1989 on the normalization of relations between the two countries on the basis of the Five Principles of Peaceful Coexistence and the ten principles of the Bandung Conference, have decided, through friendly consultations, to resume diplomatic relations between the two countries effective from August 8, 1990.

Accordingly, the government of the People's Republic of China and the government of the Republic of Indonesia have agreed to exchange ambassadors and provide each other with facilities for the reopening of their respective diplomatic missions.

The two sides announce that upon the invitation of H.E. President Suharto, H.E. Premier Li Peng will make an official goodwill visit to Indonesia on the occasion of the resumption of diplomatic relations.

PRC, Indonesia Issue Press Communiqué

HK0307092090 Beijing XINHUA in English 0911 GMT
3 Jul 90

["Sino-Indonesian Joint Press Communiqué"—XINHUA headline]

[Text] Beijing, July 3 (XINHUA)—China and Indonesia released a joint press communiqué here this evening on Indonesian Foreign Minister Ali Alatas' current visit to China. The full text of the joint press communiqué reads as follows:

Upon the invitation from H.E. Foreign Minister Qian Qichen, H.E. Foreign Minister Ali Alatas paid an official visit to the People's Republic of China on July 1-4, 1990 within the framework of completing the process for the resumption of diplomatic relations between the two countries.

During the visit, H.E. Foreign Minister Ali Alatas was received by General Secretary Jiang Zemin of the Central Committee of the Communist Party of China and Premier Li Peng of the State Council and exchanged views with H.E. Foreign Minister Qian Qichen on bilateral issues, the Cambodian question and other regional and international issues. The talks were conducted in a cordial and friendly atmosphere.

The two ministers signed the agreement on the settlement of Indonesia's debt to the People's Republic of China.

At the end of the visit, a communiqué on the date and modalities of the actual resumption of diplomatic relations between the two countries was agreed and signed.

H.E. Foreign Minister Ali Alatas expressed his sincere appreciation and gratitude to H.E. Foreign Minister Qian Qichen and to the government of the People's Republic of China for the warm welcome and generous hospitality accorded to him and members of his delegation during their visit.

Presidents of News Agencies Meet

OW0307083490 Beijing XINHUA in English
0708 GMT 3 Jul 90

[Text] Beijing, July 3 (XINHUA)—Mu Qing, president of XINHUA NEWS AGENCY, met Handjojo Nitimihardjo, managing director of ANTARA NEWS AGENCY, the Indonesian national news agency, here today.

Nitimihardjo, also president of the organization of Asia-Pacific news agencies, is here to cover Indonesian Foreign Minister Ali Alatas' visit to China.

Mu Qing and Nitimihardjo expressed the hope for increased cooperation between XINHUA NEWS AGENCY and ANTARA NEWS AGENCY along with the growth of the Sino-Indonesian relations.

After the meeting, Mu Qing hosted a luncheon for Nitimihardjo.

Sino-Indonesian Trade To Expand

HK0307021290 Hong Kong TA KUNG PAO in Chinese 3 Jul 90 p 2

["Special dispatch" from Beijing by reporter Kung Shuang (7255 7175): "China and Indonesia To Sign Economic and Trade Agreements To Expand Direct Trade"]

[Text] Beijing, 2 Jul (TA KUNG PAO)—After resuming diplomatic ties, China and Indonesia are to sign government-to-government economic and trade agreements, according to a responsible member of the Ministry of Foreign Economic Relations and Trade. This will further expand direct trade between the two countries, which was resumed in 1985.

The source continued, that since the two countries resumed direct trade in 1985, bilateral trade turnover has constantly increased; total volume reached \$917.92 million in 1988, up 112.78 percent over the \$431.4 million for 1985, hitting an all-time high. The trade volume dropped a little last year, but it still registered \$804.44 million. In the meantime, economic cooperation between the two countries has increasingly gathered steam. Some companies in China have shown keen interest in making investment in Indonesia.

He added, that the normalization of Sino-Indonesian relations will pave the way for expanding economic cooperation between the two countries. There is great potential and broad prospects for economic cooperation between them.

Article Views Relations With Indonesia

HK0307102290 Hong Kong HSIN WAN PAO in Chinese 3 Jul 90 p 1

["New Talks" column: "China and Indonesia Will Soon Announce Details About the Restoration of Their Diplomatic Relations"]

[Text] Indonesian Foreign Minister Alatas has been in Beijing for three days and will return home tomorrow, concluding his visit to China with the purpose of restoring diplomatic relations.

This is the first visit by an Indonesian foreign minister to China since the two countries severed diplomatic relations in 1967. In the past two days, Alatas has held several rounds of talks with Chinese Foreign Minister Qian Qichen and signed an agreement settling the debts owed by Indonesia to China. The agreement was concluded by the two countries' officials in Hong Kong and it has now been officially signed by the two foreign ministers on behalf of their governments.

Chinese Premier Li Peng yesterday met with Alatas and the latter personally handed over a letter from President

Suharto inviting Li Peng to visit Indonesia. At the meeting, both sides agreed that the restoration of Sino-Indonesian relations is not only in the interests of the two peoples but is also of great significance for the maintenance of peace and stability in Asia.

Alatas will still have a full day's activities in Beijing today and it is not known whether any important officials will receive him. It is expected that at the end of the visit, an official communique will be published to announce the arrangements for the official signing ceremony for restoring diplomatic relations. People will pay attention to four things, namely, time, place, the signing officials, and other agreements to be signed at the same time for improving bilateral relations.

In their talks, Qian and Alatas not only discussed issues related to bilateral relations but also the Cambodian issue and other international issues. Moreover, in the first round of talks, they exchanged opinions in depth on the Cambodian issue. Yesterday, before Li Peng met with Alatas, Indonesian reporters also mainly asked questions about the Cambodian issue.

The discussions on bilateral relations were not as noticeable as the discussions on the Cambodian issue and there were certainly some reasons. First, the technical issues related to the restoration of diplomatic relations (such as the status of residents of Chinese origin in Indonesia, the status of embassies and the number of staff, and the debt issue) had been basically solved in the previous talks. Second, both sides had made promises on some issues of principle. That is, Indonesia reiterated that it would adhere to the principle of one China and China promised that the CPC would not maintain any relations with the Indonesian Communist Party (the spokesman for the State Council even said that he did not know the whereabouts of the Indonesian Communist Party).

This time, the two foreign ministers began to discuss the Cambodian issue as soon as they met for the first time and reached a common conclusion. That is, the Cambodian issue must be solved comprehensively and the ceasefire must be linked with a comprehensive settlement. It is necessary to guard against the danger of the so-called partial settlement.

Although this was not directed at anyone it was in fact related to the Cambodian meeting arranged by Tokyo. At that meeting, the agreement was only signed by Prince Sihanouk and the Phnom Penh regime's Hun Sen. They talked about cease-fire and the organization of the supreme committee, but nothing was really settled at that meeting. The Chinese and Indonesian foreign ministers stressed "comprehensive settlement" in view of the arrangements at the Tokyo meeting. At their second meeting, Qian Qichen particularly mentioned that China is willing to have flexible reactions, but the principled premise for such flexible reactions is that the opinions of all four parties in Cambodia should be respected.

It is learned that the agreement on restoring diplomatic relations will be signed together with another governmental agreement on economic relations and trade. In 1988, the volume of bilateral trade reached an all-time high of over \$900 million. Although the trade volume declined somewhat last year, it remained at a level of some \$800 million. The normalization of Sino-Indonesian relations will certainly be favorable to the development of their economic cooperation and this will certainly arouse attention among business circles in Hong Kong who will play a role as a trade medium between China and Indonesia.

Sino-Indonesian Business Increases

*HK0207075690 Beijing CHINA DAILY in English
2 Jul 90 p 2*

[Special to CHINA DAILY by Xie Shenshu]

[Text] The Indonesian foreign minister's visit to China this week is expected to promote economic ties between the two countries.

During his stay in Beijing, Ali Alatas will discuss the restoration of diplomatic ties between China and Indonesia and an agreement is expected to be signed on the payment of debts to China by the Indonesian Government.

Although diplomatic relations have not yet been restored, non-governmental economic co-operation has been extensive and fruitful.

"As developing powers in Asia our two countries have great potential to develop bilateral economic relations," said a senior official from the China Council for the Promotion of International Trade (CCPIT).

Two-way trade is robust this year, according to customs figures.

Between January and May, trade between China and Indonesia totalled \$420 million, including \$127 million in China's exports, 66.4 percent up from the previous five-month period, and \$293 million in imports, up 73.9 percent.

And with improving relations, Chinese trade experts expect the total trade volume this year to well exceed that of last year.

Two-way trade volume stood at \$804 million in 1989. China exported goods worth \$222.8 million and imported goods to the value of \$581.5 million.

China sold mainly machinery, chemical products, minerals, farm and animal husbandry produce and bought Indonesian fertilizers, cement and timber.

A trade delegation from the CCPIT—a top unofficial economic and trade organization—is currently exhibiting Chinese products ranging from machinery to farm produce at the Jakarta International Fair, which opened on June 17 and will end on July 14.

The Chinese mission, comprising more than 20 national foreign trading firms, occupies an exhibition space of 2,000 square metres.

This is the second time the CCPIT has displayed Chinese products in Indonesia since the two countries broke off diplomatic ties in 1967.

Trade relations were restored in 1985 when the two nations signed a memorandum on banking, sea transport and mutual visits by business people from China and Indonesia.

The agreement marked resumption of direct trade between the two countries.

Also in 1985, a 120-member Indonesian delegation visited Beijing and Shanghai, and signed a series of trade agreements with Chinese firms.

In return, the CCPIT sent a mission with three trading groups in machinery, chemical products and farm and animal products to Indonesia.

And Zheng Hongye, chairman of the CCPIT, visited Indonesia last August.

In October, H Sotion Ardjanggi, chairman of the Indonesian Council of Industry and Commerce visited China to discuss the further expansion of bilateral co-operation in economic and technological exchange.

Near East & South Asia

Reportage on Bangladesh President's Visit

Further on Talks With Li Peng

*BK3006170790 Dhaka Domestic Service in English
1530 GMT 29 Jun 90*

[Text] Formal talks between Bangladesh and China were held in Beijing today. The Bangladesh side at the talks was led by President Ershad, while the Chinese side by Prime Minister Li Peng. Before the talks, the two leaders met exclusively for half an hour. At the formal talks, President Ershad was assisted by the adviser on compulsory primary education, (Muttu Ali Sarcar); adviser on NGO [Nongovernmental Organizations] affairs, Michael Shushil Adhikari; and secretaries of foreign affairs, commerce, roads and road transport, industries and shipping.

Premier Li Peng was assisted by Vice Foreign Minister Zengpei, Vice Minister for Foreign Economic Relations and Trade Lu Xuejian, and Communication Minister Qian Yongchang.

Briefing newsmen after the talks, foreign secretary Abul Ahsan said the two leaders reviewed the entire gamut of bilateral relations and expressed satisfaction at the progress of growing cooperation between the two countries. They also stressed the need for further expanding mutual cooperation and agreed to explore new avenues

in this respect. Both sides underlined the importance of regular exchange of views at high-levels for consolidating bilateral relations and fostering better understanding. A Chinese delegation will soon visit Bangladesh to assess the feasibility of some projects.

President Ershad and Premier Li Peng also held discussions on regional and international issues of common concern. They shared identical views on many issues like Afghanistan, Palestine, Kampuchea, and East-West relations. The two leaders felt that peace and stability are very important for the development of South Asian countries and for this the existing problems between India and Pakistan should be settled through peaceful negotiations. President Ershad also briefed the Chinese leaders about the measures taken for economic development and strengthening democratic institutions in Bangladesh.

Our special representative, Shafiqul Amin Firdousi, in a dispatch from Beijing says three new agreements are expected to be signed between the two countries tomorrow. After the talks, Premier Li Peng hosted a luncheon for President Ershad. Later, the president offered his Juma [Friday] prayers at Niu Jie mosque.

In the afternoon, he visited the Asian Games complex now being built at the downtown of the Chinese capital.

Earlier, President Ershad was accorded a ceremonial reception at Tiananmen Square in front of the Great Hall of the people. Acting on behalf of Chinese President Yang Shangkun, Vice President Wang Zhen warmly greeted the Bangladesh leader. He was also given a guard of honor by a smartly-turned out contingent drawn from three services. President Ershad took the salute and reviewed the parade. National anthems of the two countries were played, while a 31-gun salute boomed down.

President Visits Qingdao City

SK0207044590 Jinan Shandong Provincial Service in Mandarin 2200 GMT 30 Jun 90

[Text] At the invitation of State President Yang Shangkun, Hussain Mohammad Ershad, president of the People's Republic of Bangladesh, and his entourage, a total of 53 persons, who paid a state visit to China, arrived in Qingdao on the afternoon of 30 June. They were warmly welcomed by the people of Qingdao City. When President Ershad and his wife (Rosa) Ershad, disembarked from the plane in the company of (Xing Yongchang), leader of the state accompanying delegation and Chinese ambassador to Bangladesh Chen Haolu, Zhao Zhihao, governor of Shandong Province, and his wife; Yu Zhengsheng, mayor of Qingdao City, and his wife; and Ma Xinchun, deputy commander of the Jinan Military Region and commander of the North China Area Fleet, stepped forward to cordially greet them. Two Chinese children presented flowers to the president and his wife.

At 1950 in the evening, Governor Zhao Zhihao cordially met with President Ershad and his entourage at Badaguan Auditorium in Qingdao. Governor Zhao Zhihao gave a welcoming speech and President Ershad also gave a speech amid a friendly atmosphere. On behalf of the Shandong provincial government and the hospitable people of Shandong, Zhao Zhihao extended a sincere welcome to President Ershad.

In his speech, President Ershad said: I have heard about the noted province of Shandong. The visit to Qingdao is an important part of my visit to China. China and Bangladesh are good friends. Our friendship has undergone the test of time. I hope that through this visit, our friendship will last forever in the days to come.

Further on Qingdao Visit

SK0307020090 Jinan Shandong Provincial Service in Mandarin 2200 GMT 1 Jul 90

[Text] On the morning of 1 July, the 53-member delegation from Bangladesh headed by President Ershad, visiting Shandong Province and accompanied by Qian Yongchang, minister of communications, and Zhao Zhihao, governor of the province, enjoyed the seascape by pleasure-boat in the city of Qingdao.

When Governor Zhao Zhihao briefed the president and his entourage in the boat regarding the province's situation in developing the export-oriented economy by regarding Qingdao City as a key door, President Ershad took great interest in developing economic and trade relationship with Shandong Province. That afternoon, Navy flags fluttered in the wind at the military harbor pier under a certain Navy unit. President Ershad accompanied by Lieutenant General Zhang Lianzhong, commander of the People's Liberation Army [PLA] Navy, reviewed the Navy honor guard and visited the modernized destroyer No.110, the minesweeper No.808, and the submarine No.213. That evening, the North Sea Fleet of the PLA Navy hosted a banquet in honor of President Ershad and his entourage. On the morning of 2 July, the Bangladesh president will visit some businesses in the city of Qingdao and will leave the city by special plane for Shanghai Municipality to continue his tour.

Visits Shanghai

OW0307005790 Shanghai City Service in Mandarin 0900 GMT 2 Jul 90

[By station reporter (Yao Shukun) from the "News and Weather" program]

[Text] President Ershad of the People's Republic of Bangladesh and his wife left Shanghai for home by special plane this afternoon after successfully concluding a state visit to our country.

President Ershad and his party arrived in Shanghai by special plane at 1200 today for a visit. They were greeted at the airport by Liu Zhenyuan, vice mayor, and Zhao Yunjun, director of the municipal Foreign Affairs Office.

Qian Yongchang, minister of communications and chairman of the reception committee of our government, arrived in Shanghai in the same plane, in company with the distinguished Bangladeshi guests.

At noon, Shanghai Mayor Zhu Rongji hosted a luncheon at the New Jinjiang Hotel to welcome President and Mrs. Ershad on their first visit to Shanghai.

In the afternoon, President and Mrs. Ershad went up to the Revolving Hall on the 41st Floor of the New Jinjiang Hotel and the top of the Shanghai Mansion to get a bird's-eye view of Shanghai. Shanghai is a beautiful city full of vigor and vitality, said Ershad. He said that he hoped to have another opportunity to visit Shanghai in the future.

Leaves Shanghai for Home

OW0307002390 Beijing XINHUA in English
1331 GMT 2 Jul 90

[Text] Shanghai, July 2 (XINHUA)—Bangladesh President Hussain Mohammad Ershad ended his visit to China and left here for home this afternoon.

The Bangladesh president and his entourage arrived here at noon today from Qingdao. The mayor of Shanghai Zhu Rongji met him in the afternoon.

Ershad's PRC Visit Termed 'Success'

OW0307073990 Beijing XINHUA in English
0629 GMT 3 Jul 90

[Text] Dhaka, July 3 (XINHUA)—Bangladesh President H.M. Ershad's just concluded visit to China has been a "great success and fruitful", Foreign Secretary Abul Ahsan told reporters Monday night.

President Ershad returned here Monday from his five-day state visit to China, which was his third China trip as the Bangladesh head of state.

The foreign secretary, who accompanied the president during the visit, said that the president's visit has further strengthened bilateral relations and brought the two countries closer together.

He noted that president Ershad had exchanged views and understanding on wide-ranging international, regional and bilateral issues with the top Chinese leaders during the visit.

The decisions taken and agreements signed between the two countries will further widen the scope of cooperation and consolidate the existing bilateral ties, he added.

Sub-Saharan Africa

Reportage on Chadian President Habre's Visit

Further on Li Peng Banquet

AB3006171590 Ndjamena Domestic Service in French
1900 GMT 27 Jun 90

[Excerpts] The president of the the republic, El Haj Hissein Habre continues his visit to the PRC. El Haj Hissein Habre, his wife, Fatime, and the cabinet members accompanying them have entered the second day of their visit. His schedule is very tight: meetings with Chinese officials, visits to some production units, receptions held in honor of the delegation. Moussa Dongor, Radio Chad's special correspondent, here takes stock of the activities that marked the second day of the presidential delegation's visit to the PRC:

[Begin Dongor recording] Mr. Yang Shangkun who, on the eve of the President Habre's [words indistinct] it was the vice president, Mr. Wang Zhen who, on behalf of the Chinese state, received the Chadian head of state with all the honors: red carpet, playing of national anthems, punctuated by 21 gun salute, review of guard of honor, and the introduction of members of official organizations. The first highlight of the visit was the first official talks between President El Haj Habre and Vice President Wang in the presence of representatives of the Chinese Government and members accompanying the Chadian president. [passage omitted]

The second highlight of this official visit was the talks the head of state held with the prime minister, Mr. Li Peng. These talks were extended to include both Chadian and Chinese delegations. Then came the third highlight of this visit which was the big banquet held by Chinese Prime Minister Li Peng in honor of the Chadian head of state and which was marked by two toasts. On this occasion, the Chinese prime minister hailed the responsible policy being pursued by the Chadian Government at home and abroad, as well as the successes which this policy pursued by President El Haj Hissein Habre continues to chalk up in all spheres—from economic development, national defense, and Chad's credibility abroad. We are happy to note, Mr. Li Peng stated, that the Chadian Government and people, under the leadership of His Excellency President Hissein Habre, have made relentless efforts to safeguard their independence and the sovereignty of the state, and to further achieve national reconciliation and revamp the country's economy. In these areas, considerable progress has been made.

Then, the Chinese prime minister recalled that despite the distance separating the two good friends, they have always undertaken to work hand in hand [words indistinct]. He stressed that his country accorded great importance to the friendship and cooperation between Chad and China. We are prepared, he said, to trade with Chad according to the principle of reciprocity and on the basis of equality and mutual benefit, as well as explore new areas of trade and further cooperation.

Replying to this friendly and warm speech which is reassuring for a bright future for PRC-Chad cooperation, President El Hadj Hissein Habre paid glowing tribute to Mao Zedong's fatherland, which has won the esteem of the whole world and enjoys immense prestige on the international level, and which today, said the president of the republic, is on the road mapped out by the PRC people in the fields of economic, cultural, scientific, and technical development.

Speaking about his visit to the PRC, President Hissein Habre said his presence marks, at the highest level, the mutual willingness to further intensify and streamline the bonds of friendship and solidarity, and the ties of cooperation between both the two governments and the Chinese and Chadian peoples, through their parties and mass organizations, which keeps increasing every year.

Next, touching on the international situation in general, and particularly, the upheavals in Eastern Europe, President Habre said that we the people of the Third World did not have to be unduly disturbed by what is happening in East Europe and in the Soviet Union. [passage omitted] [end recording]

Habre Tours Lanzhou

*OW2906144390 Beijing XINHUA in English
1414 GMT 29 Jun 90*

[Text] Lanzhou, June 29 (XINHUA)—Hadj Hissein Habre, president of Chad, and his wife visited here today the Lanzhou Institute of Desert under the Chinese Academy of Sciences.

The president watched at the institute a video "China's Prevention and Control of Desert" and a laboratory of sand wind tunnel. He said to the Chinese friends, "You are really great and Chad has the same problem to prevent desert like China."

After that the president was showed around Lanzhou's afforesting project. This afternoon, the president and his party visited an experiment base of solar energy, China's biggest one in this field.

Madam Habre also visited a Gansu provincial museum, a local folk custom museum, a kindergarten and a technical school.

Governor of Gansu Province Jia Zhijie hosted a dinner in honor of the Chadian guests tonight.

Meets With Gansu Governor

*HK0207070790 Lanzhou Gansu Provincial Service
in Mandarin 2300 GMT 29 Jun 90*

[Excerpts] Chadian President Hissein Habre and his wife visited Lanzhou City yesterday.

Yesterday morning, accompanied by Chen Minzhang, Chinese minister of public health, Zhang Wule, vice governor of Gansu Province, and He Yanzhi, deputy

director of the Gansu Provincial Foreign Affairs Commission, President Hissein Habre and his wife visited the Lanzhou-based Desert Research Institute of the Chinese Academy of Sciences and the Lanshan Park in Lanzhou City and toured the Lanzhou City. [passage omitted]

Yesterday evening, Jia Zhijie, governor of Gansu Province, met with and held a banquet in honor of the visiting Chadian president and his entourage.

Governor Jia Zhijie delivered a speech at the banquet.

He said that although Chad and China are geographically far away from each other, they both belong to the Third World and both are developing countries as well. Therefore, Chad and China should further strengthen cooperation.

Governor Jia Zhijie also briefed the Chadian guests on the political, economic, and cultural developments of Gansu Province over the past few years.

Governor Jia Zhijie said that Chad and Gansu are similar to each other in many respects and should especially strengthen bilateral cooperation in the following fields: 1. Desert harnessing; 2. Agricultural and animal husbandry production development; 3. Ecological environment protection.

President Habre expressed his thanks to the warm welcome he received during his visit in Gansu. He said that Chad has always attached great importance to the Sino-Chadian friendship and will make continued efforts to strengthen such friendship in the years ahead. [passage omitted]

Shanghai Mayor Welcomes Habre

*OW0107092190 Shanghai City Service in Mandarin
0900 GMT 30 Jun 90*

[Text] President and Madam Habre of the Republic of Chad arrived in Shanghai from Lanzhou by special plane at noon on 30 June. They were accompanied by Public Health Minister Chen Minzhang, Shanghai Mayor Zhu Rongji, Vice Mayor Liui Zhenyuan, and responsible persons of departments concerned Zhao Yunjun and Xing Zhikang welcomed the guests at the airport.

In the afternoon, President and Madam Habre visited the site of the First CPC Congress and the 12th Plant of the Shanghai Cotton Textile Corporation.

Zhu Rongji Hosts Banquet

*OW0107092290 Shanghai City Service in Mandarin
2200 GMT 30 Jun 90*

[By station reporter (Yao Shoukun); from the "Morning News" program]

[Text] President Habre of Chad, who is currently on a visit to Shanghai, visited the site of the first National

People's Congress [NPC] of the CPC on 30 June. He is the first head of an African state to visit this site of historical interest.

After visiting the site and hearing a briefing, President Habre said: I am particularly pleased to be able to visit the site on the eve of the 69th birth anniversary of the CPC. He said: The triumph of the CPC represents a great achievement of the mankind in the 20th century. I sincerely wish that the Chinese people will score even greater achievements under the leadership of the CPC.

President and Madam Habre and his party, accompanied by Chen Minzhang, head of the reception committee of the Chinese Government and public health minister, arrived in Shanghai at noon on 30 June. Shanghai Municipality Mayor Zhong Rongji, Vice Mayor Liu Zhenyuan, and responsible persons of relevant departments Zhao Yunjun and Xing Zhikang were

at the airport to greet the guests. In the evening, Mayor Zhu Rongji hosted a banquet for President and Madam Habre and other distinguished guests from Chad at the Xijiao Guesthouse.

President Habre Ends Visit

OW0107144890 Beijing XINHUA in English
1426 GMT 1 Jul 90

[Text] Shanghai, July 10 (XINHUA)—Chadian President Hadj Hissein Habre described his visit to China as successful, before he left the country here this afternoon.

Habre and his entourage arrived here yesterday from Lanzhou in northwest China. During his stay in Shanghai, he toured the site of the Chinese Communist Party's First Congress and a cotton mill, and met with the Mayor of Shanghai Zhu Rongji.

Political & Social

Governors of Three Provinces Transferred

HK0307063490 Beijing ZHONGGUO XINWEN SHE
in Chinese 0315 GMT 3 Jul 90

[“Liaoning, Hebei, and Henan Governors Transferred to New Posts”—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 3 Jul (ZHONGGUO XINWEN SHE)—The CPC Central Committee made a major decision recently on changes of provincial level cadres. Governor Li Changchun of Liaoning has been transferred to Henan, Governor Chen Weigao of Henan transferred to Hebei, and Governor Yue Qifeng of Hebei has been transferred to Liaoning.

All the three governors have resigned their former positions and taken up the new posts.

Persons concerned say that this decision of the CPC Central Committee is aimed at tempering and training cadres in an all-round way so that they can adapt themselves to work under various environments.

Editorial Commends Party's Strides

HK3006020290 Hong Kong SOUTH CHINA
MORNING POST in English 30 Jun 90 p 12

[By Willy Wo-lap Lam]

[Text] In an offensive to win the allegiance of the people, the Chinese Communist Party has stressed its readiness to curb corruption, promote inner-party democracy, and to bring back economic reform.

In an editorial yesterday, the PEOPLE'S DAILY pointed out that the party had taken major strides in promoting “party style” and that party construction in the area of politics, ideology, and organization “has been gradually strengthened”.

Since last June, the newspaper pointed out, the party had “rectified party style, severely penalised corruption, and earnestly done well a few things with which the people are concerned”.

In a circular made public yesterday, the party's Central Committee stipulated that “all party officials at and above the county level must attend party meetings every six months to review their work and make criticisms and self-criticisms”.

Such regular exercises, the party circular added, would help “display democracy and conduct ideological struggle”.

In the meantime, at a four-day international economic conference which ended in Beijing on Wednesday, leading economics officials said that economic reform would be implemented on a large scale.

The most radical proposals were made by Mr Zhang Zhuoyuan, a senior economist with the Chinese Academy of Social Sciences.

Mr Zhang suggested a “quicker and deeper economic reform” in order to improve the economic structure.

Most important, Mr Zhang argued that with inflation down and social demand under control, price reform should be resumed.

“The several major price raises since last September have not resulted in social shocks and adverse chain reactions, which proves that it is high time for price reform,” he said.

Mr Zhang proposed that the state raise the prices of coal, postage and other unreasonably cheap goods and services.

The state should also relax price control over some goods that are not essential to people's lives, he said, adding that the prices freed before 1989, but controlled again in the year, should first be decontrolled.

Mr Wang Jiye, the Deputy Director of the Economic Research Centre under the State Planning Commission, said China should promote an integration of planning and market mechanisms in the areas of commodities, capital, technologies, information and labour in China.

Analysts doubt, however, if the party is ready to relax its control over both the political and economic spheres.

For example, the party circular issued yesterday pointed out that the aim of the regular meetings of party officials was to ensure that lower-level cells unquestioningly toe the line of the party headquarters.

Jiang Zemin Said Initiator of Fang's Release

HK0207104690 Hong Kong CHENG MING in Chinese
No. 153, 1 Jul 90 pp 6-7

[“Notes on the Northern Journey” by Lo Ping (5012 0393): “Inside Story of the Release of Fang Lizhi and His Wife”]

[Text] Shocking “Emergency Meeting”

Whoever started the trouble should end it.

Beset with internal and external difficulties the CPC had no alternative but to release Fang Lizhi and his wife to find a way out of its impasse.

Between 1600 [0700 GMT] on 24 June and 0900 on 25 June, emergency meetings were called at organs in all localities, and in Beijing, to relay the CPC Central Committee decision on releasing Fang Lizhi. Prior to this, cadres in some units had already got wind of it and did not feel any strain even though it was an “emergency” meeting. However, things could be quite different at the emergency meetings in other units. Cadres at and above section levels were shocked when they were

notified that an emergency meeting would be held at an hour's notice. It was a genuinely rare occasion that an "emergency meeting" was held with such "urgency." Some people associated it with the emergency meeting which relayed the crash of the aircraft carrying Lin Biao in Undurkhan, Mongolia. "Could it be the death of any of the old guys (hinting at Deng Xiaoping or Chen Yun)?" some people promptly asked.

Efforts To Make the Decision Known to the Public Ahead of Western Media

The so-called emergency meeting was actually a meeting to relay the decision on releasing Fang Lizhi. In some units, the relay was roughly conducted, with the one presiding over the meeting reading aloud the main points of the CPC Central Committee decision on releasing the Fangs, with neither comment nor speeches. The whole process lasted about 10 minutes. Such meetings were not only "emergency" in essence but were shrouded in a strained and mysterious atmosphere. True, it was a race against time—to make the decision known to the public ahead of Western media to avoid people's mental shock; anyway, such behavior only showed the hysteria in the CPC resulting from the burden of the protracted Fang Lizhi issue.

Recent Meeting of the Politburo "To Unify Understanding"

However, things were rather different at the emergency meeting called by Beijing Municipal Party Committee Propaganda Department. In the wake of Beijing Municipal Party Committee Standing Committee member and concurrently director of the Municipal Party Committee Propaganda Department Li Zhijian's relaying the spirit of the central decision to chief responsible persons of various Beijing media units, someone at the meeting disclosed some important information about the release of Fang Lizhi.

Both China and the United States have recently wished to ease the strain in relations as quickly as possible, as Li Zhijian and others disclosed. On several occasions, the upper echelon had called meetings to discuss the matter, and secret negotiations were under way with the U.S. side. At first, top-echelon leaders did not see eye to eye with each other on the Fang Lizhi issue. In the most recent Politburo meeting, the members had unified their understanding and unanimously acknowledged that the Fang Lizhi issue had been a tremendous obstacle to the development of Sino-American relations. At the same time, they believed that Fang Lizhi was a dead tiger; it would be a burden to both the United States and China should he stay in the U.S. Embassy.

"Both China and the United States Would Be Kept on the Spot"

At a recent Politburo meeting, Jiang Zemin explicitly pointed out that it was imperative to go into battle with a light pack; both China and the United States would be kept on the spot should Fang Lizhi remain in the U.S.

Embassy. The U.S. side would never deliver Fang to the Chinese Government, whereas the Chinese side could not send its troops into the Embassy to arrest Fang Lizhi. Should things continue like that contradictions would escalate, and should Fang die of illness in the Embassy, another storm would inevitably follow.

From a certain diplomatic channel the following information was obtained:

1. When Beijing required the United States to extend most favored nation status to China, President Bush proposed several conditions for exchange, namely, lifting martial law in Tibet, releasing political prisoners, and letting Fang Lizhi and his wife leave China safely. The CPC's response at that time was: if Fang and his wife repent, they will be allowed to leave China. The CPC knew that the Fangs would never repent. However, the matter could be handled with appropriate skill. On the other hand, the United States guaranteed to Beijing that U.S. government-controlled organs would not take advantage of Fang Lizhi to pursue political activities (the United States could not guarantee, however, that non-government organizations or individuals would not do so). Under these circumstances, a secret deal was struck.

Allowing Fang Lizhi To Continue To Stay in the U.S. Embassy Would Be "Trying To Save a Little Only To Lose a Lot"

2. The CPC believed that without resolution of the knot in Sino-American relations normal development of bilateral relations would fail and there could be no solution to Western economic sanctions and the wait-and-see attitude on investment. That would be unfavorable to China. Therefore, allowing Fang Lizhi to continue to stay in the U.S. Embassy would be "trying to save a little only to lose a lot."

3. The CPC believes that, at present "stability stands above all else." A harmonious international atmosphere must be created especially with the Asian Games approaching. Releasing Fang Lizhi could play a definite role in this regard.

4. Shanghai Mayor Zhu Rongji was soon due to visit the United States, while other important personalities were to visit Japan and Western Europe. Therefore, the release of Fang would contribute to the success of a series of diplomatic activities.

The CPC Believes That Fang Has Been Reduced to a "Dead Tiger"

5. Based on unofficial grass-roots polls, the CPC concluded that Fang Lizhi had been phased out of ordinary people's minds and his popularity was waning. Some people did not think highly of Fang Lizhi for taking refuge in the U.S. Embassy. Therefore, the CPC believed that Fang Lizhi had been reduced to a dead tiger. In its analysis, the CPC believed that even if Fang Lizhi was allowed to stay abroad there would be contradictions

between him and other prodemocracy elements, and they would not get anywhere.

Jiang Zemin Was the First To Propose Releasing Fang

6. It was Jiang Zemin who first proposed releasing Fang Lizhi from the U.S. Embassy. Through serious discussion, the Politburo Standing Committee unanimously agreed with Jiang's proposal (Li Peng had to give in). Jiang Zemin added: We must take into consideration an old friend and give him (referring to President Bush) the document on releasing Fang Lizhi jointly initialed by Jiang Zemin and Li Peng. The document also pointed out that attention should be paid to various destabilizing factors.

7. It was said that Jiang Zemin, Li Peng, and Li Ruihuan visited Deng Xiaoping together on 18 June to report to Deng the Politburo Standing Committee's opinion on releasing Fang Lizhi; Deng reportedly praised Jiang for his good idea. When Deng learned that the United States and China had reached a final agreement on the matter, Deng said: Tell the Americans not to keep changing their attitude; they have to observe the Shanghai Communiqué and the agreements reached between the two sides. Only then will progress in relations between the two sides be possible. Otherwise, there will be retrogression.

Will Other 4 June Political Prisoners, Including Wang Dan and Liu Xiaobo, Also Be Released?

8. Besides releasing Fang Lizhi, Jiang Zemin also proposed to "release all" 4 June political prisoners placed under unrest, including Wang Dan and Liu Xiaobo, but not criminal offenders. Jiang Zemin believed that this would unite more people and isolate an extremely small handful.

9. It was learned that the United States promised to persuade the British Government not to encourage Fang Lizhi to pursue political activities in the United Kingdom, while the latter promised that it would regard Professor Fang only as a famous scholar. The U.S. Government also relayed the UK attitude to China.

The Political Octogenarians Believe That Fang Lizhi Has Gotten Away Scot Free

And 10. Reactions inside the CPC differ on the core leadership's decision to release Fang Lizhi. The majority believe the Central decision was correct, but a small number of people, especially certain octogenarians, believed that Fang Lizhi has gotten away scot free. Still others, believing that it constituted kowtowing to the United States, expressed their reservations about the decision.

The CPC has already glossed over its faults and distorted the truth in propaganda, saying that Fang Lizhi had expressed his "repentance." Those who want unscrupulously to save face, however, will always be those who lost it.

Deng's Children Press Reversal of 4 Jun Verdict

*HK0207134090 Hong Kong PAI HSING in Chinese
No. 219, 1 Jul 90 p 5*

[Article by staff reporter: "Deng Xiaoping's Children Urge Him To Have the Case of 4 June Reversed—Background Information Concerning the Remark 'We Must Not Blame Everything on the Students'"]

[Text] According to Beijing sources, as the conservatives' suppression of the reform faction has grown increasingly intense, Deng Xiaoping's children have managed to express various "popular feelings" in a roundabout way to "Old Grandpa" (as Deng Xiaoping's children address the old man) in hopes that he will seriously consider reversing the verdict of the "4 June" Tiananmen Incident with the bearing of a statesman. Some senior cadre's children who have ties with the Dengs recently disclosed this on a private occasion.

Deng's children hold the view that the verdict of the 1989 "4 June" Incident will eventually be reversed based on the precedent of the 1976 "April 5th" Tiananmen Incident. Reversing the "4 June" verdict is a historical inevitability. It is preferable for Deng Xiaoping to reverse the verdict than other people, and for him to do so while he is still alive.

Deng's children have concluded that with the conservative octogenarians' support, Li Peng and Yao Yilin have brazenly contravened his will by resorting to various tactics to reverse the wheel of reform in the wake of the "4 June" Incident. The specific expressions are as follows:

1. Organizationally, they have installed a large number of ultraleftists in important posts to replace enlightened cadres who took an active part in reform.
2. They have created a conservative atmosphere inside the Politburo and the Secretariat to attack and isolate Li Ruihuan, who has been rather emancipated in thinking.
3. They have violated Deng Xiaoping's decisions on improving relations with the United States and resorted to creating information and pretexts detrimental to Sino-U.S. relations.
4. They have violated Deng's instruction to treat intellectuals well, attacking them whenever possible.
5. They have restricted the development of the commodity economy in the form of laws and decrees.
6. They have sabotaged the growth of the economic development zones in Guangzhou, Shenzhen, Hainan, and the Zhu Jiang Delta in their mutual support and supplementation.
7. They have attempted to block Wang Yongqing from investing in Fujian and developing Haicang, Xiamen, on the basis of an ossified policy.
8. They have purposely spread a rumor at home and abroad that Deng Xiaoping should be held responsible for the Tiananmen Massacre. They have gone all out to pursue and attack Zhao Ziyang, with the final target being Deng Xiaoping himself.

They have testified to the above with news recently spread by the CPC in the United States, and pointed out:

Chen Yun, leader of the conservatives, recently wrote a letter to the Politburo condemning the decision to fire guns on "4 June," saying that this intensified party-people contradictions and resulted in unimaginable consequences for Communist rule. Chen Yun added that the 10-year "Cultural Revolution" had turned China's politics upside down, while the 10-year reform had damaged China's economy. Obviously, he wanted to shift responsibility for the "4 June" massacre to Deng, Sr.

Around "4 June" this year, students on campuses, including Beijing University, gave vent to their complaints against Deng Xiaoping by smashing bottles in a big way. It was learned that these students were mostly prodemocracy, but some of them did so with the conservatives pulling strings behind them. Deng Xiaoping's children could not but shudder at the conservatives' ulterior motives.

Known for his stubbornness, however, Deng Xiaoping may not buy his children's advice. Earlier, Deng's wife Zhuo Lin had made it a rule that no state affairs were to be brought up at the dinner table to avoid making Deng unhappy. This taboo might have been lifted with the passage of time and Deng's mood returning to normal.

Reversing the verdict on the "4 June" massacre, however, would bear upon the responsibility for mustering hundreds of thousands of troops and the final order to fire, and Deng Xiaoping could never get away with it. His receiving army cadres, moreover, to extend his "appreciation" in the wake of the massacre, conferring "Guards of the Republic" medals on soldiers, and his seven-point speech on doing a good job in dealing with the aftermath have all clearly shown that Deng should bear full responsibility for the massacre, so how can he reverse the verdict? Therefore, Deng Xiaoping encountered an impasse even after he had been somewhat moved by his own children's advice.

Moreover, reversing the verdict of the "June 4" incident would involve the negation of its being a "counterrevolutionary rebellion," while it was none other than Deng, Sr. who "determined the nature" of the "4 June" Incident as presented in the RENMIN RIBAO editorial.

Furthermore, reversing the verdict of the "4 June" Incident would also intensify the confrontation between the conservative and reformist forces among the founding fathers, because once "reversing the verdict" was carried out, some people would be rectified and weeded out, but then Deng Xiaoping would no longer possess such boldness and resolution. It would also go against his two current strategies, one of which is "stability," as reversing the verdict of the "4 June" incident would sabotage "stability" and trigger an intense "reversing the verdict" versus "counter-reversing the verdict" fight between the party, government, and army on the one side and the people on the other. That is something Deng refuses to countenance. The other

strategy is "balance"; "reversing the verdict" would be impossible where "balance" is involved because "reversing the verdict" means one faction attacking another. Deng therefore has relied on Jiang Zemin and Li Ruihuan's "moderate" speeches to "neutralize" the "rigid stand" of Li Peng, Yao Yilin, and the conservative founding fathers Chen Yun and Wang Zhen. But because of the domino effect in the East European communist bloc, the strong momentum of the Western boycott and sanctions, and the hue and cry of protest at home and abroad, Deng Xiaoping has somewhat regretted the "4 June" incident and has been capable of taking his children's advice.

One of Deng's children has already told his friends explicitly: I must tell Old Grandpa that only by reversing the verdict of the "4 June" Incident can he avoid the fate of being "a sinner in history." They disclosed, moreover, that Deng Xiaoping had realized that Li Ximing and Chen Xitong had deliberately fabricated the situation by submitting "false" and "panicky" reports just to anger Deng Xiaoping, who eventually gave the order to suppress the student unrest, whereas Deng himself had to bear full responsibility for the injustice. That is why Deng Xiaoping eventually made the statement "We must not blame everything on the students."

Deng Xiaoping 'Fears' for Zhao Ziyang's Health

HK0207074790 Hong Kong CHENG MING in Chinese No. 153, 1 Jul 90 p 18

[Article from 'Reference News' column by Ma Fang (7456 2455): "Deng Xiaoping Fears That Something Will Go Wrong With Zhao Ziyang's Health"]

[Text] A high official's child who knows Zhao Ziyang's family well, told me that Deng Xiaoping inquires about Zhao's health conditions almost every day. When he learned that Zhao was having some trouble with his heart, Deng Xiaoping instantly instructed Jiang Zemin and Yang Shangkun to see that nothing was wrong with Zhao's health. With this instruction, the medical treatment that Zhao Ziyang—although no longer party general secretary—has received is roughly on a par with what a Standing Committee member of the Political Bureau is entitled to. Zhao's former private doctor is also allowed to visit him frequently and give him regular checkups.

Chen Yun Reported 'Out of Danger'

HK0207100490 Hong Kong CHENG MING in Chinese No. 153, 1 Jul 90 pp 12-13

["Notes on the Northern Journey" by Lo Ping (5012 0393): "Chen Yun Is Out of Danger and the Two Factions Are at Loggerheads"]

[Text] Chen Yun is rather active though some foreign reports said that he was recently in a critical condition. Was Chen Yun critically ill?

"The King of Hell Has Given Me Another Chance"

It is true that Chen Yun was critically ill from the end of last year to this March. For fear that this octagenarian and infirm man would pass away, the central authorities made arrangements for his funeral after soliciting opinions from Chen Yun's family members. The memorial speech was also ready. However, Chen's conditions improved in mid-April. When the working personnel around him told him about this, he said jokingly: "The King of Hell has forgiven me once again." When he was informed that the CPC Central Committee intended to allow his family members to make suggestions for the memorial speech, he raised objections, saying that if he really passed away, the memorial speech should be handled by the CPC Central Committee. At the same time, he said that he did not want the title of Marxist-Leninist. He told the work personnel humorously: I do not like flattery. In the past, Mao Zedong gave me a lot of honorary titles that made me unhappy. I know that he who is lauded to the sky may fall down in the end! Chen also urged them to make the funeral ceremony simple.

Severely Criticizing Deng Xiaoping

Apart from his illness, Chen Yun was unwilling to appear in public. Over the past decades, Chen Yun always immersed himself in work. In recent years, he gave instructions to his followers from behind the scene. He was discontented with Deng Xiaoping. When Deng's line suffered a serious setback after the 4 June incident last year, Chen Yun severely criticized Deng Xiaoping on many occasions, saying that Deng threw both the party and state into confusion.

When his condition turned for the better in late April, Chen Yun took every opportunity to express his views within the party. By the end of May this year, Chen Yun especially summoned Jiang Zemin and other political bureau members. He told them: "As I am the last Central Advisory Commission chairman, I can only offer some suggestions to the central authorities. It is for your reference only." The talk lasted for more than three hours from 1500 to 1800. This practice was quite rare in Chen Yun's work in recent years.

Offering Suggestions to Jiang Zemin

The talk covered much ground and was focused on: "Stability is above everything." Chen urged the Political Bureau to mobilize the whole party to grasp stability and never lower their guard on the issue of maintaining stability in the domestic situation. He also asked them to resolutely fight corruption, particularly corruption in the political field, strictly administer the party and Army, and exercise supervision over cadres, senior-level cadres in particular.

On international issues, Chen Yun stressed that China is a developing country belonging to the Third World. "We should develop relations with the developing countries

rather than focus our attention on the Americans. If we put too much stress on the West, we will suffer in the end."

Chen Yun insisted on developing relations with Japan. "The Japanese are different from the West politically and psychologically. We should take advantage of this." Chen said that we should talk righteously and firmly with the Japanese because: First, ours is a big country and, second, we have been a victorious nation in the past. The bolder you are, the more chance you have to develop relations with Japan.

"We Should Never Retreat on the Question of Hong Kong and Taiwan"

On the question of Taiwan, Chen Yun said: "I said on many occasions with Hu Yaobang and Zhao Ziyang in the past that we should never retreat on the question of Hong Kong and Taiwan. If we retreat a step, it will be hard to clear up the messy situation."

Chen Yun criticized the passivity in Taiwan work in recent years and expressed his discontent. As we have gained experience and lessons he said, we should now take the initiative.

The Struggle Between Chen and Deng Is Deadlocked

As Chen Yun "is out of danger," the situation in mainland China, which was about to change, turned to normal. Some people abroad hold that the situation in mainland China will definitely change when Deng Xiaoping passes away. This is the common understanding of people abroad. However, they have neglected one point: If Chen Yun dies before Deng Xiaoping, great changes will also be effected within and outside the CPC. Although Chen and Deng share views on quelling the democratic movement, they have differences on a number of issues. In the Political Bureau and its Standing Committee, Deng Xiaoping has his followers. Chen Yun also has Yao Yilin and Li Peng. The two factions are evenly matched. Chen Yun can be regarded as the ringleader of the diehards. If Chen Yun passes away, the Chen and Deng factions will be in a state of imbalance and a serious political crisis will be unavoidable. As Chen's health has improved, both factions have stressed stability of the overall situation. Hence, it is unlikely that there will be a serious split within the Political Bureau in the near future. The two factions have now come to a deadlock. This is a prominent characteristics of China's current political situation.

Dissident Wang Dan 'Expected' To Be Released

HK0207012990 Hong Kong HONGKONG STANDARD in English 2 Jul 90 p 3

[By Bill Ko]

[Text] Wang Dan, a prominent leader in last year's student democracy movement in Beijing, is expected to be freed soon.

A local member of the Chinese People's Political Consultative Conference, Tsui Sze-man, said China's leaders have no pretext to detain Mr Wang after allowing dissident Fang Lizhi to leave the country last week.

"Chinese leaders cannot insist on their interpretation of the movement any more, and I think other dissidents will continue to be released, including Wang Dan," he said.

Speaking at yesterday's City Forum, Mr Tsui said the release of Chinese dissidents had boosted local confidence.

"After one year of investigation, Beijing has failed to show any evidence to its people that the 'riot' of last June was carried out by any subversive organisation," Mr Tsui said. "They are forced to re-interpret last year's movement in order to avoid irritating their people."

He believed the releases were aimed at quelling internal public discontent rather than pleasing Western countries.

But Cheung Man-kwong, of the Hong Kong Alliance in Support of the Patriotic Democratic Movements in China, was far from satisfied with Beijing's recent moves.

"Those they released are world-famous dissidents. It is an attempt to end Western countries' economic sanctions," he said.

Mr Cheung said the releases resembled the Soviet Union's expelling dissenting intellectuals 20 years ago and would only further discourage Chinese students overseas from returning home.

Another speaker, a local delegate of the National People's Congress, Zee Sze-young, said the rule of law was the key to China's human rights problems.

He criticised the law on "counter-revolutionary" activities as too vague and providing room for the government to detain political dissidents.

He also admitted the national People's Congress had not fully exercised its powers in checking malpractices.

Joseph Cheng, Dean of Arts of the Open Learning Institute, said Chinese leaders should respect the law first, if the rule of law was to prevail in China.

"They should not deprive the people of their constitutional rights to assemble," he said.

Editorial Urges Stability For Development

HK0307061090 Hong Kong WEN WEI PO in Chinese
3 July 90 p 2

[Editorial: "Why Do We Say That China Has a Good Opportunity Ahead?"]

[Text] It is the 150th anniversary of the Opium War this year. After going through the course of difficulties and experiencing the changes in the international environment, the Chinese nation has a good opportunity ahead for it for its modernization.

Why do we say so?

First of all, the world is in a relatively peaceful period in which economic competition has, to a certain degree, exceeded political and military confrontation. The rise of a unified Germany and Japan as economic giants, and the end of the military confrontation and cold war between the United States and the Soviet Union, makes this trend appear to be outstanding. It is not an exaggeration to say that "the third world war will be an economic one." Peace and development have become the mainstream. China maintains friendly relations with almost all its neighbors or is going to normalize bilateral relations with them. The international environment has created the external factor for this opportunity.

Secondly, since reform and opening up were initiated in 1978, China's comprehensive national strength has been greatly improved, creating the internal factor for such an opportunity. Since the founding of New China in 1949, the Chinese nation has stood up; the territories of mainland China have never before been so unified that all localities take the orders of the central government. Since the end of the 1950's, despite the fact that China had taken a winding road for its modernization and missed the opportunity offered by the world at that time for rapid economic development, China has, after all, scored the achievements that cannot be matched by old China, laying the initial foundation for modernization. What is especially important and what the Chinese people are determined to do after summing up this experience, is that they have come to know that it is necessary to cherish the environment for peaceful development in which they should make reforms and open up amid economic development.

China has made great progress in many areas during the past 12 years: It has basically been able to feed and clothe its 1.1 billion people; it has established an independent industrial structure embracing a set of relatively complete industries; it has opened up to the outside, attracted large amounts of capital, and strengthened its links with the world market; it has confirmed the principle of integrating planned economy and market regulation. Moreover, as far as legislation is concerned, it has formulated large numbers of laws and regulations relating to society, the economy, culture and foreign affairs, forming an initial socialist legal structure. As for education, it has trained millions of university, college, and technical school graduates. The reform in the personnel recruitment system is favorable to the best use of personnel. This has supplied China's modernization with both "hardware" and "software."

To make the best of the opportunity for vigorous development, it is necessary for us to have stability in the

political and economic situation, and in the popular feeling. This is why China has made it the most important task to secure stability at the moment. The 10-year Cultural Revolution was a catastrophe in which China was nearly plunged into "a civil war on a full scale," and the national economy nearly collapsed. Whenever a country is in this kind of chaos, it will be useless even when the best opportunity comes. Therefore, no conscious Chinese will allow this kind of chaos to recur in China again.

History over the past one and a half centuries has proved that when China is unstable it will cause a great exodus of refugees. This was especially true in southern coastal provinces. The failure of the Taiping Revolution in the 19th century, the failure of the First Revolutionary Civil War in this century, and the Japanese invasion and the like caused people to flock overseas. Since old China had a very low international status, and its government was impotent, overseas Chinese were like orphans residing abroad leading a miserable life. This is what overseas Chinese of the older generation cannot forget today. Now a strong and stable China has enabled the descendants of these Chinese to rise up. In view of the past and present, there is no reason why these Chinese should be unconcerned about their country's stability. If an upheaval should recur in China, leading to civil war, the splitting up of territories, the people will definitely be plunged into an abyss of misery. Also it will most probably cause another exodus of refugees in large numbers, affecting neighboring countries and regions. China is a large country in Asia, and when it is in great chaos, there will be no security in Asia, nor will there be any peace in the world. All statesmen, no matter what their beliefs are, understand this if they have foresight and sagacity.

There will be development only when there is stability. This is attested not only by modern and contemporary history but also by ancient history. In Chinese history, whenever the political situation was stable, industrial development would occur under which people lived healthily and happily. Stable periods in our history include the times in the reign of emperor Wen Jing during the Han Dynasty, the Zhen Guan period during the Tang Dynasty, and the period of Kang Xi during the Qing Dynasty. In these periods, China was stable and was at its strongest. Opportunity follows stability, and, therefore, if we cherish an opportunity, we must cherish stability.

Another important factor for China to have the opportunity to develop is that it has had better prospects for reunification and nationality solidarity in the past 100 years. Hong Kong and Macao are soon to be returned to the motherland. The upsurge of reunification is gaining strength daily and has become irresistible, though various obstacles have not been removed for the reunification of the mainland and Taiwan. The Chinese nation is a nationality that has a strong sense of the need to come together. This is why Chinese culture has survived several thousand years. In the several thousand years of

Chinese history, reunification has always been the mainstream. All Chinese people, whether they are on the mainland, in Hong Kong, Macao, or Taiwan, or residing overseas, hope that the motherland will become unified, wealthy, strong, and that the people will lead a peaceful and happy life. The Chinese have won world recognition by their talents in the economic, scientific and technological realms. Therefore, if they are fully aware of the opportunity, take hold of it at the right time, and try hard with one heart, China will definitely have a very bright future.

CPC Issues Provisions on Democratic Activities

OW2906203290 Beijing XINHUA Domestic Service
in Chinese 0219 GMT 29 Jun 90

[Unattributed report: "Notice of the CPC Central Committee on the 'Provisions Governing the Democratic Activities of Party-Member Leading Cadres in Party and Government Organs at the County Level and Above'"]

[Text] Beijing, 29 Jun (XINHUA)—To party committees of all provinces, autonomous regions, and municipalities; all departments and committees of organs of the Central Committee and the state; the General Political Department of the Central Military Commission; and all party organizations of mass organizations:

The "Provisions Governing the Democratic Activities of Party-Member Leading Cadres in Party and Government Organs at the County Level and Above" is hereby issued to you. Please make serious efforts to implement these provisions.

It is extremely important to perfect and strictly enforce the democratic activities system for leading cadres who are party members in order to improve the thinking and style of leading cadres. This will allow them to rely on themselves in resolving contradictions, to effectively carry out intraparty supervision, to enhance unity, and to ensure the implementation of the party's line, principles, policies, and resolutions. Party organizations at the county level and above, in particular the principal responsible comrades, must attach great importance to the provisions and make serious efforts to organize and ensure the success of democratic activities. Party organizations at high levels must step up inspection and guidance.

[Signed] CPC Central Committee
[Dated] 25 May 1990

Song Ping Presides Over Anniversary Forum

OW0207025890 Beijing XINHUA Domestic Service
in Chinese 1154 GMT 30 Jun 90

[By reporter: Sun Benyao]

[Text] Beijing, 30 Jun (XINHUA)—Some veteran comrades and fine party workers attended a forum at Huarentang in Zhongnanhai on 30 June to discuss how

to further strengthen party building in commemoration of the 69th anniversary of the party.

Song Ping, member of the Standing Committee of the Political Bureau of the CPC Central Committee, presided over the forum. Song Renqiong, vice chairman of the Central Advisory Commission, and Yang Baibing and Wen Jiabao, member and alternate member of the CPC Central Committee Secretariat, respectively, were present at the forum.

At the forum, Song Ping said: Ours is a large party with more than 49 million members. Whether our party building is a success or not has a direct bearing on our country's thriving or declining and on the success or failure of our socialist modernization. Currently, a climate in which all party members are grasping party building has taken shape with initial success and has produced results.

Song Ping said: Veteran comrades and fine party workers have rich experiences in party building. I hope everybody will suggest ways and means for party building, further strengthen our party building so our party organizations can become rich with fighting power, and achieve still better results to usher in the 70th anniversary of the founding of our party next year.

Lu Feng, head of the Organization Department of the CPC Central Committee, briefed the forum on strengthening party building in the past year. He said: Since the 4th Plenary Session of the 13th CPC Central Committee, the new central collective leadership with Comrade Jiang Zemin as the core has implemented, in an all-around way, the party's basic line with one center and two basic points as its principal content and has adopted many measures to grasp party building. In this regard, he pointed out the following work that has been grasped:

1. We have followed the basic theory of Marxism as our guidance and have made great efforts to clarify the theoretical confusion on the party's ideological and theoretical building that bourgeois liberalization caused. We have corrected those erroneous proposals and methods that weaken and diminish party leadership.
2. We have tested and judged nearly a million cadres at and above the county (department) level. As of now, this task has been well fulfilled in most places and departments.
3. In line with the principle of strictly running the party, we have appraised party members through discussions in a democratic way. Many party members say in inner-party life that we have not conducted criticism and self-criticism in line with the party's principle for quite a few years, and thus they have been shocked ideologically, and the results have been fairly good. More party members were removed from the party last year than in any of the previous 10 years.
4. We have punished corruption, strengthened the building of an honest government, and maintained close

ties between the party and the masses. A number of people involved in corruption, giving or taking bribes, and moral degeneration have been removed from the party. After leading comrades of the party Central Committee made the proposal and took the initiative, nearly 1 million cadres across the country went down to the grass-roots units to understand public sentiment, solve questions that the masses urgently ask to be solved, and do essential work for the masses. As a result, they have been praised by the broad masses.

5. After summing up our experiences in reforming the system of organization and the cadre system a few years ago, we have better implemented the principle of cadres becoming more revolutionary, younger in average age, better educated, and more professionally competent. We have strengthened the system of local party committees recommending cadres to state organs, improved the election with multiple candidates, further clarified the leadership system of enterprises and institutes of higher learning, developed cadres' exchange, and studied how to strengthen the macromanagement of cadres' work.

Lu Feng said: During the past year, thanks to the efforts of all party members, the trend of neglecting party building has been reversed. Party building has made strong headway. However, quite a few questions still face us now. We still have very many difficult jobs to do. In the long-term struggle between peaceful evolution and counter-peaceful evolution, a fundamental starting point for us in considering how to strengthen party building is how to guarantee that our party will never change its quality and how to guarantee that our state will forever march forward on the socialist road.

In touching on how to further strengthen party building, Lu Feng pointed out: First of all, there is the question of the leadership's power. The leadership's power must be in the hands of those who are loyal to Marxism. Our party has built the third generation collective leadership with Comrade Jiang Zemin as its core. Our work in all fields has been done very well with good results and is supported by the people across the country. The question of the leadership's power refers not only to the party Central Committee's power but also to leading bodies at all levels; we must not only gain a foothold now but also regard the future. The most urgent and realistic question is: Who is to exercise the party's and state's leadership power at all levels at the end of this century and at the beginning of the next century, or 10 or 20 years from now? It is necessary to hasten the training of well-educated fine cadres who are in their 30's or who are about 40 and who are of good political quality. From now on, we must allow them to study Marxist theory in a systematic way and assign them to leading posts at different levels to temper them so that they can mature as soon as possible. It is necessary to select cadres from among fine workers and peasants.

Second, there is the question of the construction of the ranks of party members. The main body of the ranks of party members is good. However, some party members'

political quality is poor, and they fail to show a communist's progressive nature. In improving the party members' quality, we must unflinchingly conduct education on the basic theory of Marxism, the party's basic line, and the party's basic knowledge. It is necessary to set up a system of strengthening inner-party supervision and the mechanism of eliminating the stale and taking in the fresh in the ranks of party members and to preserve the party's advanced nature and purity forever. Today, our party has a large number of members. However, they are unevenly distributed. The number of party members on the production front is dwindling each year. The number of young party members is small, and peasant party members are aging. It is necessary to pay attention to recruiting fine elements for new party members from among industrial workers and workers in the forefront of production. We must make efforts for several years to change the situation step by step.

Third, we must strengthen the building of grass-roots organizations. Various types of grass-roots party organizations must, in accordance with their respective characteristics and tasks, invigorate themselves, strengthen their rallying force by colorfully doing their work, organize party members, and unite the masses around them so that the party organizations' role as fighting bulwarks can be brought into full play.

Lu Feng also gave his view concerning party building and the question of reforming the system of organization and the cadre system. He said: Party building faces many questions, which must be solved through reform, and we must be quite clear on this point. To sum up the experience of reform in the past few years, we must proceed from China's national conditions and from what is good to the strengthening and improvement of party leadership and actively and appropriately carry out reform.

Comrades Huang Huoqing, Xu Yunbei, Zhang Zhenliang, Kang Shien, Zhang Mingguang, Qiao Mingfu, and Zhang Jianmin spoke in turn at the forum. They fully affirmed that in the past year, party building had made much headway. They also made good suggestions on how to further strengthen party building.

Yang Baibing Addresses Forum

OW0207012590 Beijing XINHUA Domestic Service
in Chinese 0956 GMT 30 Jun 90

[By reporter Luo Yuwen (5012 3768 2429)]

[Text] Beijing, 30 Jun (XINHUA)—Yang Baibing, secretary general of the Central Military Commission and director of the General Political Department, today addressed a forum of outstanding party members from the units stationed in Beijing. He encouraged party members throughout the Army to set for themselves an example of maintaining unity with the party Central Committee, uniting with the masses, working hard,

conducting troop training, and being honest in performing official duties. The forum was held to mark "July 1" [anniversary of the CPC's founding].

Yang Baibing said: In marking our party's birthday, I cannot help remembering a sentence that we used to say back in the Yanan period; namely, that a Communist Party member is a person of special qualities. I understand the so-called special qualities to mean that a Communist Party member must uphold firmer political beliefs, reach higher ideological and moral attainments, make more contributions, and sustain greater sacrifices than the ordinary masses of the people. In other words, he must be a vanguard and a model.

Yang Baibing said: Our party is a great, glorious, and correct party that has withstood the tests of nearly 70 years of trials and hardships. How we can withstand the tests of being a ruling party, carrying out the reform and opening to the outside world, and waging a struggle against the "peaceful evolution" under the new historic conditions is an important and urgent issue confronting the whole party. Of course, we have to work in various fields to solve the issue; the most basic and realistic work of all, however, is to improve the quality of most party members to enable every one of them to give play to his exemplary vanguard role of a communist. We have said frequently that party members are the cells of the party and that only when every cell is sound and wholesome can the organic body be healthy and strong; only when every party member is qualified can our party be more combat worthy and more prestigious. If every party member in the Army can give full play to the role that he or she ought to play, no problem will be insurmountable and no task will be unachievable for us. We definitely will be able to proceed more quickly and better with the building of the Army and the undertaking of reform. It is necessary for us to consider how to improve the quality of the ranks of party members in particular and to work earnestly on the problem.

Among those who participated in the forum were veteran party members who had participated in the revolution decades ago; young party members who were recently admitted to the party; comrades from organizations, colleges, universities, and scientific research units; and also comrades from the grass-roots level. They are the representatives of the outstanding party members of the units stationed in Beijing. They have given full play to the exemplary vanguard role of a communist in their posts and have contributed to the building of the Army units. Zhang Mingguang, political commissar of a regiment in the Beijing Military Region; Gu Jimei, leader of a naval training unit; Zhang Riai, director of the Office of the Discipline Inspection Commission of the Air Force of the Beijing Military Region; Qin Zhonghua, deputy director of the political department of a certain research institute of the Second Artillery Corps; Wang Xiafang, a retired cadre of the Engineering Corps Department of the General Staff Department; Zhao Yigang, director of the Clinical Department of the General Hospital of the People's Liberation Army; and Liu

Shuqin, head nurse of the Internal Medicine Department No. 3 of Hospital No. 514 of the Commission of Science, Technology, and Industry for National Defense, all spoke at the forum.

The forum was held by the General Political Department. Zhou Wenyuan, deputy director of the General Political Department, spoke at the closing of the forum. Yu Yongbo and Li Jinai, deputy directors of the General Political Department, participated in the forum.

Further on CPC Celebration

HK0207012790 Hong Kong SOUTH CHINA
MORNING POST in English 2 July 90 p 2

[By Willy Wo-Lap Lam]

[Text] The Chinese Communist Party celebrated its 69th birthday yesterday with a warning that leadership positions must remain in the hands of "true Marxists".

However, the party's most important leader, patriarch Mr Deng Xiaoping, stayed away from the limelight of the official media, which failed to report on his meeting with Bangladesh President General Hossain Mohammad Ershad last weekend.

In a gathering of senior cadres marking the 69th anniversary of the founding of the party, the head of the organisation department, Mr Lu Feng, said "the most urgent, the most practical question is what kind of people will hold leadership positions in the party and state in the coming 10 to 20 years".

Mr Lu, who succeeded Politburo member Mr Song Ping as organization chief last year, said a top priority of "party construction" was to boost the "political and cultural quality" of cadres in their 30s and 40s.

"From now on, we must make arrangements that they systematically study Marxist theory," Mr Lu said. "They must also undergo training and tests in leadership positions of different strata so that they can mature as quickly as possible".

Mr Lu added that the party must ensure the political rectitude not only of central-level leaders but also local-level officials.

He said the party's organisation experts at various levels would select cadres from among "superior workers and farmers".

Mr Song Ping, member of the Politburo Standing Committee, added that "the success or failure of building the party of 49 million members is directly related to the rise or fall of the country and the victory or failure of the socialist modernisation drive".

China analysts say the views of Mr Lu and Mr Song reflect the fear of the hardline faction that cadres exposed to "bourgeois liberalisation", including former associates of ousted party chief Mr Zhao Ziyang, may take up leadership positions.

"Both Mr Song and Mr Lu are close to patriarch Chen Yun, who is considered the 'godfather' of the central planners and hardline ideologues," a Western diplomat said.

"While more liberal leaders like Li Ruihuan are advocating that the party unite as many social sectors as possible, Song and Lu are saying only confirmed Marxists be allowed into the party's higher echelons."

Chinese sources said the leadership question had been rendered even more urgent by the precarious health of Mr Deng, who in the past few months had acted as "mediator" among the party's various factions.

His eagerly-anticipated meeting with General Ershad was not reported in the Chinese media.

Mr Deng has been active in the past few weeks. For example, it was he who decided on the release of Professor Fang Lizhi and other political prisoners.

His failure to appear on television, however, has given rise to speculation.

The Foreign Ministry said General Ershad met Mr Deng, who turns 86 next month, last Saturday because they are old friends, but that Mr Deng requested there be no media coverage. However, the condition of President Mr Yang Shangkun, who has been hospitalised for a week for acute appendicitis, has improved noticeably.

The official NEW CHINA NEWS AGENCY quoted Mr Yang as telling General Ershad that "my operation was carried out successfully and I have been recovering quickly, you may rest assured".

NPC Standing Committee Approves Final Accounts

OW0207010090 Beijing XINHUA Domestic Service
in Chinese 1013 GMT 28 Jun 90

[Resolution of the Standing Committee of the National People's Congress (NPC) on the Approval of the Final State Accounts for 1989; adopted 28 June]

[Text] Beijing, 28 Jun (XINHUA)—Pursuant to the resolution adopted at the third session of the Seventh NPC on "authorizing the NPC Standing Committee to examine and approve the 1989 final state accounts," the 14th session of the Seventh NPC Standing Committee has heard the "Report on the 1989 Final State Accounts" submitted by Wang Bingqian, state councillor and minister of finance, on behalf of the State Council. After examination and on the basis of the examination report by the NPC Financial and Economic Committee, it is decided to approve the "Report on the 1989 Final State Accounts" submitted by Wang Bingqian, state councillor and minister of finance.

State Council on Controlling Investments

HK0207062490 Beijing RENMIN RIBAO in Chinese
28 Jun 90 p 2

[Report by Lu Mu (7627 3668): "State Council Issues Circular on Screening Fixed Asset Investment Projects"]

[Text] Beijing, 26 Jun (RENMIN RIBAO)—Recently, the State Council approved the report by the State Planning Commission and the leading group for screening the capital investment projects on furthering the work of screening the fixed-asset investment projects, and issued a circular on transferring the report to all localities and departments. The State Council's circular required all localities and departments to seriously implement the principles of "controlling the gross quantity, adjusting the structure, rectifying the order, and improving the results" laid down by the Fifth Plenary Session of the 13th CPC Central Committee, and continue to pay close attention to the work of controlling the scale of capital investment, adjusting the investment structure, and rectify the order of construction and continue to adopt necessary measures for this purpose without relaxing efforts.

For more than a year, the work of screening the capital investment projects has achieved certain results. The State Planning Commission and the State Council's leading group for screening the capital investment projects pointed out in their report to the State Council that the work of screening the capital investment projects over the past year or more checked the continuing swelling of the scale of investment for many years; suspended a number of construction projects; curbed the tendency to start the construction of a large number of guesthouses, amenity centers, and office buildings; and substantially reduced the number of new projects to be started. This laid a good foundation for controlling the scale of investment and adjusting the investment structure in the future. However, some localities and departments again tried to start new construction projects and expand the scale of construction this year. This tendency was noticeable. At present, while the scale of investment is allowed to expand appropriately, the control over the gross quantity must not be relaxed, and the effort to screen fixed-asset investment projects must not be relaxed this year.

The report stressed that this year's work of screening fixed-assets investment projects should be focused on the control over gross quantity. The investment structure should be adjusted continuously under the guidance of the state's industry policy and on the basis of controlling the scale of investment. The handling of construction projects being suspended and restored should be re-examined. The construction of guesthouses, amenity centers, office buildings, and other nonproductive projects that are to be newly started should be brought under continuing control. Guidance to and control over collective and individual investments should be strengthened. The commercial housing projects should

be screened and examined. All construction projects should be examined carefully. The report also specified requirements and methods for rectifying the construction order.

Civil Affairs Minister Cui Naifu Visits Hebei

SK0307025190 Shijiazhuang HEBEI RIBAO
in Chinese 9 Jun 90 p 1

[Text] From 31 May to 5 June, Civil Affairs Minister Cui Naifu went to some counties and cities of our province, including Jinxian, Wuji, and Xinji, to investigate the grass-roots civil affairs work and to understand their experiences and existing problems. He also held talks with local cadres and town and township civil affairs assistants to jointly explore ideas and measures for achieving the grass-roots civil affairs organizational structure and building the ranks of grass-roots civil affairs workers.

During this period, Cui Naifu also paid special visits to Jinxian County, Xinji City's Guangrong Institute, the cemetery of revolutionary martyrs in Xinji City, Shijiazhuang City's Gexin Street, and the Xianyushi Street Neighborhood Committee to call on cadres, staff members, and workers in charge of civil affairs; family members of revolutionary martyrs; and neighborhood committee cadres. He said: The national overall situation is stable. However, we should first stabilize the grass roots in order to ensure stability. Neighborhood committees are grass-roots organizations of cities, as well as the key links of cities. Achieving the construction of neighborhood committees has laid a foundation for stabilizing cities.

During his stay in our province, Cui Naifu exchanged opinions on how to strengthen civil affairs work with provincial party committee Secretary Xing Chongzhi; Hong Yi, vice chairman of the provincial People's Congress Standing Committee; and Zhang Runshen and Guo Hongqi, vice governors of the province.

Li Ruihuan Meets Hong Kong Businessmen

OW2906043790 Beijing XINHUA Domestic Service
in Chinese 1216 GMT 24 Jun 90

[Text] Beijing, 24 Jun (XINHUA)—Li Ruihuan, member of the Standing Committee of the CPC Central Committee Political Bureau, met Liu Luanxiong (0491 7019 7160), chairman of the Board of the Hong Kong Metro-Goldwyn-Meyer Group Co. Ltd., and Liu Luanhong (0491 7019 7703), director of the company, at Beijing's Diaoyutai State Guesthouse this afternoon.

Li Ruihuan asked in detail about the construction of the Oriental Arts Building, a joint-venture by the Metro-Goldwyn-Meyer Group Co. Ltd. with the Dongfang Song and Dance Troupe. He also exchanged views with the Hong Kong guests on the future development of the building.

The building, to be completed in October next year, is a plush hotel to facilitate international cultural exchanges and provide services for cultural tourists.

He Jingzhi and Chen Changben were present at the meeting.

Song Renqiong on Ideological Work Among Youth

OW0107140290 Beijing XINHUA Domestic Service in Chinese 1118 GMT 25 Jun 90

[By RENMIN RIBAO reporter Lai Renqiong (6351 0088 8825), XINHUA reporter Zhang Sutang (1728 1372 1016)]

[Text] Beijing, 25 Jun (XINHUA)—On the eve of "July First," the Communist Youth League [CYL] committee of the organs under the Central Committee held a forum at the Great Hall of the People on 25 June to mark the 69th anniversary of the CPC's founding. The meeting discussed and studied the party's glorious traditions and fine style of work, as well as ways to educate and guide office youths to strengthen further their faith in communism so that they will resolve to temper themselves and grow in their respective work posts, and become successors to the proletarian revolutionary cause who have lofty ideals, moral integrity, knowledge, and a sense of discipline.

Attending and addressing the meeting were Song Renqiong, Central Advisory Commission vice chairman; Chen Pixian, member of the standing committee of the Central Advisory Commission; Yang Zhilin, member of the Standing Committee of the Chinese People's Political Consultative Conference [CPPCC] National Committee; Liu Ying, former member of the Central Discipline Inspection Commission and veteran Red Armyman; as well as responsible comrades of the Work Committee of Organs Under the Central Committee and the CYL Central Committee.

Yang Jinyong, deputy secretary of the CYL committee of the organs under the Central Committee, gave a general introduction to the CYL organizations in the organs under the Central Committee and the present mentality of CYL members and young people working in the offices. In light of the situations in their respective units and their personal growth experiences, young representatives of the members of organs under the Central Committee—Ling Zhenguo, Su Hong, Zhang Maohua, Li Jianqin, Wang Yuechun and others—talked freely about the importance of studying the party's glorious traditions and style of work, establishing a proletarian world outlook, and strengthening and improving ideological and political work among young people.

Song Renqiong said in his speech: In carrying out ideological and political work among young people, we must combine inculcation with inducement. Nowadays, quite a number of young comrades have not undergone systematic ideological and political education, or the

education in fundamental tenets of Marxism-Leninism-Mao Zedong thought. In this sense, their foundations are shakier and this leads to a lack of power to identify and resist the various erroneous ideological trends in the society. Conducting a planned and systematic education for youths in this area is a pressing task and also an indispensable fundamental for nurturing and cultivating a new generation of people. Pertaining to the problem of thinking and understanding among young comrades, the stress must be on inducement. Administrative means alone will not yield results even in dealing with serious problems. Arduous and meticulous efforts should be made to tackle problems of the young people head-on so that their thinking can be straightened out and their problems solved.

He said: In carrying out ideological and political work among youths, it is necessary to encourage them to show concern, understanding, and respect for others. We must constantly reach out to and make friends with them, understand what they are thinking, and patiently listen to their opinions or have heart-to-heart talks with them in a comradely manner and on an equal footing.

Song Renqiong noted: The growth of young people is not possible away from practice and the masses. Young people should gain nutrition and wisdom from practice and the masses by combining their individual strength with that of the masses. To separate them from reality and the masses will not steel them into people of extraordinary capabilities.

He maintained that we continuously must improve and perfect methods in conducting ideological and political work to liven up our job so that young people will love it.

Lastly, Song Renqiong suggested that ideological and political work start with children in kindergartens and primary schools so that a solid foundation is laid when they are young. The same goes for education in the love for the motherland, the people, manual labor, science, and public property.

Song Ping Attends Forum on Party History

HK0207050390 Beijing RENMIN RIBAO in Chinese 26 Jun 90 p 3

[Report by Tang Xiaoqing (0781 1420 7230): "Song Ping Attends a Forum on the Publication of 'Books on the Southern Bureau's Party History'"]

[Text] Beijing, 25 Jun (RENMIN RIBAO)—A forum on the publication of "Books on the Southern Bureau's Party History" was held in the Great Hall of the People this morning.

Song Ping, member of the CPC Central Committee's Standing Committee, attended and addressed this forum, which was sponsored by the Chongqing Publishing House. Comrades Deng Yingchao, Hu Qiaomu, and Lu Dingyi sent congratulatory messages to the forum.

These books, parts of collections on CPC history, were published by the Chongqing Publishing House this month as a present for the party on its 69th birthday. In line with Comrade Deng Yingchao's instructions "be practical, carry out analysis by means of dialectical materialism and historical materialism, portray the real features of history, and avoid going into trivial details and overelaboration," the editorial department has given a full illustration of the eight-year-long extremely difficult struggle waged by the Southern Bureau of the CPC Central Committee in the Kuomintang-occupied areas. Comrade Song Ping made a high appraisal of this by saying: "The Southern Bureau scored great successes. This historical period was very important, during which there were two major battlefields: The armed struggle and the rear united front. Without a great deal of work and contributions by the latter, it would have been difficult for us to win victory by means of armed struggle alone. The compilation of the Southern Bureau's party history is significant to enriching the party's historical library and conducting education in history and patriotism."

Among present at the forum were Cheng Siyuan, Chu Tunan, Xiao Ke, Zheng Baike, Xia Yan, as well as leaders from the Democratic League, the Revolutionary Committee of the Kuomintang, the Zhigong Party, and the Peasants and Workers Party.

Official Addresses Democratic League Meeting

OW0307104990 Beijing XINHUA Domestic Service
in Chinese 1128 GMT 27 Jun 90

[By reporter Zhang Yanping (1728 0917 1627)]

[Text] Beijing, 27 Jun (XINHUA)—Speaking at the eighth meeting of the Sixth Central Committee of the China Democratic League, Central Committee Chairman Fei Xiaotong said that the course of events and practice of socialist construction in China have proved that only the CPC is capable of leading the country. The Democratic League, as a political party participating in government affairs, should uphold the correct political orientation, that is, to uphold the CPC's leadership and take the socialist road.

The meeting was held in Beijing from 25 to 27 June. The theme of the meeting was to study and implement the guidelines of the National United Front Work Conference, convened by the CPC Central Committee, to implement further the "Opinions of the CPC Central Committee on Persisting In and Improving the System of Multiparty Cooperation and Political Consultation Under the Leadership of the CPC," and to study ways and means to strengthen construction of the Democratic League.

Fei Xiaotong said: The Democratic League should gear its work to the tasks put forward by the National United Front Work Conference. A pressing current task is to intensify ideological and organizational construction of

the league to comply with the work requirements for a political party participating in government affairs.

The meeting attendees unanimously adopted a resolution endorsing Comrade Jiang Zemin's speech at the United Front Work Conference. The resolution holds that the speech is a programmatic document guiding united front work and providing important guidance to the future work of the league.

The resolution calls on league organizations at various levels to earnestly study and implement the guidelines of the National United Front Work Conference, hold aloft the banners of patriotism and socialism, adhere to the four cardinal principles, strive to carry out the historical mission of a political party participating in government affairs, and bring into full play the role of political consultation and democratic supervision, thereby contributing more to reform, opening up, and socialist modernization. The meeting also adopted a "Decision of the Central Committee of the Democratic League on Consolidating and Improving the Organization."

Qian Weichang, vice chairman of the league Central Committee, spoke at the closing today, calling on league members to utilize their knowledge to serve industrial and agricultural production. He said that the process of serving industrial and agricultural production is a process of integrating with workers and peasants.

Other vice chairmen of the league Central Committee who attended the meeting were Gao Tian, Ye Duiyi, Tao Dayong, Luo Hanxian, Ma Dayou, Ding Shisun, Kang Zhenhuang, and Kong Lingren. Responsible persons of the Central Advisory Committee of the Democratic League attended the meeting as observers.

Jiang Zemin Stresses Carrying Out Reform

OW0107191990 Beijing RENMIN RIBAO in Chinese
29 June pp 1, 3

[By reporter Nie Zhengwu (3662 2973 2976): "After Inspecting Guangdong, Jiang Zemin Emphasizes Carrying Out Reform and Opening to the Outside World More Resolutely and on a More Solid Basis"]

[Text] Guangdong, 28 Jun (XINHUA)—After making a nine-day inspection of Guangdong, Jiang Zemin, general secretary of the CPC Central Committee Secretariat, pointed out that the great changes in Guangdong and the achievements it has made over the past decade fully show that the Central Committee's policy decision on reform and opening up is entirely correct. It is necessary to redouble efforts to further and more firmly implement the reform and open policy and achieve further successes in running the special economic zones and open coastal areas and in developing the national economy.

Comrade Jiang Zemin inspected the Shantou, Shenzhen, and Zhuhai special economic zones and Guangzhou, Huizhou, Dongguan, Zhongshan, Foshan, and Shunde cities and counties from 19 through 27 June in the

company of Lin Ruo, secretary of the Guangdong Provincial CPC Committee, Governor Ye Xuanping, and Zhang Zhongxian, political commissar of the Guangzhou Military Region. He went deep into cities and towns, rural villages, factories, schools, ports, and Army units, inspecting and conducting investigative studies on implementation of the reform and open policy and economic and social development, economic improvement and rectification and further reforms, and the building of spiritual civilization and party construction in various places.

The focus of Comrade Jiang Zemin's inspection tour was to study construction and development in the special economic zones. As he took part in setting up China's special economic zones 10 years ago and has visited Guangdong and the special economic zones several times since, Comrade Jiang Zemin was very delighted to see the tremendous achievements in construction in Shenzhen, Zhuhai, and Shantou. With delight he said: Since 1980, I have visited the three special economic zones in Guangdong many times and found new changes on every visit. The changes I have seen on this trip are even greater. These achievements have not only been fully affirmed by the whole nation but have also attracted world attention. The success of the special economic zones fully shows that the decisions to institute the reform and open policy and to establish the special economic zones, which were made by the party Central Committee and the State Council at the proposal of Comrade Deng Xiaoping, are entirely correct. Practice has shown that as long as the policy is correct, even regions with weak economic foundations can develop rapidly. The Chinese nation is a great people who are diligent, brave, and intelligent. Under the CPC's leadership, as long as we proceed from China's realities and continuously explore and review experiences, we will definitely be able to achieve magnificent goals along the road of building socialism with Chinese characteristics, and the Chinese nation will surely stand erect in the world forest of nations. He emphatically pointed out: To implement the reform and open policy and achieve further successes in running the special economic zones and open coastal areas is a major policy concerning the future of the motherland and the welfare of future generations. We will never waver in or change this policy. It is hoped that the special economic zones will seriously implement the guidelines of the special economic zone work conference held by the State Council in February and more effectively apply the policy of absorbing foreign capital, importing advanced technology and managerial expertise, expanding trade and economic and technical cooperation with foreign countries, and pushing the export-oriented economy to new levels. At the same time, the special economic zones are urged to bring into better play their roles as "windows" and "bases" and the pace-setters in building socialism with Chinese characteristics by strengthening ties with the interior regions and providing them with technology, expertise, and talented people.

During the inspection tour, Comrade Jiang Zemin paid great attention to acquainting himself with party building and the building of spiritual civilization in the special economic zones and open areas. He repeatedly stressed that in opening to the outside world, it is always imperative to adhere to the socialist orientation and insist on promoting the "two civilizations" simultaneously. He said: The four cardinal principles are the foundation of our nation, while reform and opening to the outside world are the roads leading to a strong country. With a firm foundation, the country is prosperous. When the country is strong, its foundation is firm. While maintaining political and social stability, we should concentrate our efforts on developing the economy. The key to achieving this is to build our party into an even better one. When holding discussions with cadres in various localities, Comrade Jiang Zemin repeatedly stressed that in coastal open areas and special economic zones, it is particularly significant to earnestly develop the work of party building and ideological and political work, and to strengthen the building of socialist spiritual civilization. He pointed out: While opening to the outside world, we should introduce and assimilate from abroad advanced science, technology, management experience, and fine culture on the one hand and uphold our socialist orientation and resist corrosion by decadent capitalist ideas on the other. Because of this, party organizations in open areas and special economic zones must earnestly improve themselves. In particular, good work should be done to improve grass-roots party organizations and strengthen leading bodies. Moreover, party organizations at all levels should, according to their actual situation, undertake earnest ideological and political work among the vast numbers of party members and cadres and the masses for the purpose of solving their problems. Party organizations should see to it that the vast numbers of party members and cadres fully display their initiative to build socialism, resist corrosion by decadent bourgeois ideas, and pass the tests to qualify as members of a ruling party as well as the tests of reform and opening to the outside world.

On the way from Dongguan to Zhuhai, Comrade Jiang Zemin made a special trip to Humen to visit the Opium War Museum. He said that China's modern history since the Opium War is one of the Chinese nation's struggle of resistance to achieve national salvation and become strong, adding that we should never forget this history. In conversations with faculty members of the middle school affiliated with the South China Teachers University, he pointed out: It is necessary to strengthen ideological education in patriotism among youths and children. This should begin in primary schools. We should assist youths and children in learning how China was once reduced to a semi-feudal and semi-colonial state. We should let them know that the Chinese people, through decades of revolution and construction under CPC leadership, have turned old China, which suffered humiliation under the imperialist powers, into a socialist country with initial prosperity. In this way their aspiration for a strong motherland that can catch up with developed countries

will be founded on a basis of historical reality and China's national conditions, and they will further reinforce their confidence and determination to take the socialist road under the leadership of the CPC.

On 26 June, after inspecting the various cities and counties, Comrade Jiang Zemin heard work reports by the party committee and government of Guangdong Province in Guangzhou. He fully affirmed the great achievements made by Guangdong since implementation of the reform and open policies, pointing out that the party committees and governments at all levels and the vast number of cadres in the province are firm in implementing Central Committee principles and policies and that they have made positive efforts and achieved good results in their work. He expressed the hope that the party and government leadership at all levels in Guangdong and the broad masses in the province would unite as one, reinforce their confidence, pluck up their spirits, and work hard to achieve still greater success in their work.

On his inspection tour in Guangdong, Comrade Jiang Zemin visited the ground, naval, and air force units of the People's Liberation Army [PLA] stationed in the province and heard a briefing by the Guangzhou Military Region. At an enlarged meeting of the party committee of this military region, he delivered an important speech on the subject of strengthening the PLA units.

While inspecting Guangdong, Comrade Jiang Zemin called on some veteran comrades of local organs and army units.

In Shenzhen and Zhuhai, Comrade Jiang Zemin met, on separate occasions, with renowned personages from Hong Kong and Macao, including An Zijie, Huo Yingdong, Li Jiacheng, Li Zhaoji, Li Guobao, and Ma Wangqi.

Accompanying Jiang Zemin on the inspection tour were Gan Ziyu, vice minister of the State Planning Commission; Li Jinai, deputy director of the PLA General Political Department; Zeng Qinghong, deputy director of the General Office of the CPC Central Committee; Zheng Keyang, deputy director of the Central Policy Research Office; and Hu Guangbao, deputy director of the Special Economic Zones Office of the State Council.

Jiang Zemin Visits Chinese History Exhibition

OW0107143290 Beijing XINHUA in English
1348 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—Jiang Zemin, general secretary of the Central Committee of the Chinese Communist Party, said here today [1 July] that experiences proved that the Chinese people must take the socialist road, which was choice by the people through long-term struggles.

While visiting an exhibition of the history of the Chinese revolution (1840-1949) opened here today, Jiang said the country had suffered a lot in history, and its victories were hard-won.

Jiang Zemin pointed out that China's modern history was a history of suffering from aggression and suppression and a history of the Chinese people fighting against aggression and suppression.

He said historical experiences showed that the Chinese people were not to be bullied, adding the exhibition would serve as a good education for the people.

Jiang wrote an inscription for the exhibition, "Reviewing the Revolutionary History of the Past Century and Firmly Marching on the Socialist Road". He also led the visitors and museum workers present in singing a song titled "Unity Is Strength".

The exhibition, sponsored by the Museum of the Chinese Revolution, displays some 4,500 exhibits, including relics, historical data, pictures, charts, models, paintings and sculptures. It shows the social development of modern China, the people's struggles against imperialist aggression and feudalism suppression and the victories won under the leadership of the Chinese Communist Party. [Beijing XINHUA Domestic Service in Chinese at 1040 GMT on 1 July in a similar report adds: "Song Ping, Wang Ping, Yu Qiuli, Zhang Jingfu, Chen Xilian, Duan Janyi, Kang Shien, Wang Guangying, Hou Jingru today also visited the Chinese revolutionary history display."]

Bo Yibo Writes Preface to CYL Book Series

HK0307024690 Beijing RENMIN RIBAO in Chinese
28 Jun 90 p 3

["Bo Yibo, Xi Zhongxun, and Wang Renzhong Write Preface to Theoretical Study Series for Communist Youth League Members"]

[Text] On the eve of the 1 July CPC anniversary, Comrades Bo Yibo, Xi Zhongxun, and Wang Renzhong separately wrote articles to discuss with young people how to study Marxism, uphold the party's leadership, and stick to the socialist road, and other questions as well. These three articles are dedicated as prefaces to the "Basic Questions on Theoretical Studies for Communist Youth League [CYL] Members" series edited by the CPC Central Committee.

In his preface Comrade Bo Yibo pointed out: It is necessary to encourage people to conscientiously read some works of Marx and Lenin. In the past few years, young people and even some medium- and high-ranking cadres have slackened their study of Marxism. This is an anxious development. Young people are eager to learn, are ambitious, enthusiastic, and ready to accept new things and use their brains. These are their strong points. But they also have some weak points and shortcomings. Most of them are vulnerable to the influence of some

erroneous ideological trend because they have not firmly adopted any world outlook, nor have they had any clear understanding of China's national conditions and actual circumstances of society. There is much room for young people to remold themselves. They can gradually mature and grow up so long as they are correctly guided, persist in the study of Marxism-Leninism, and plunge into social practice. Proletarian revolutionaries of the older generation had all been exposed to the influence of different kinds of ideological trends in their youth. Comrade Mao Zedong said he believed in Buddhism when he was young, he made a pilgrimage to the Nanyue Shan, and was also influenced by anarchism. Comrade Liu Shaoqi also admitted that he believed in anarchism, the idea of saving the nation through industry, and other ideologies for a while. However, as they unrelentingly sought truth and plunged into revolutionary struggle, they finally became great Marxists. As a veteran fighter, I sincerely hope that the CYL Central Committee can give young people more guidance and make more efforts to organize them to study Marxist theory, in accordance with their special characteristics, and draw more experience and achieve greater success in this regard.

Comrade Wang Renzhong eagerly hoped young people would understand through study and practice that the CPC is the only party to share common interests with them; only on the vast land and fertile soil provided by the party through reform and construction can the new generation pursue and fulfill their ideals; young people can keep their vigor only if their fate is closely linked with the fate of the party and the state, and there is no other way out.

Comrade Xi Zhongxun pointed out: Nowadays there is a countercurrent repudiating socialism in the world. Out of their purpose of subverting and undermining socialism, hostile forces abroad are more vigorously pursuing their strategy of "peaceful evolution." I sincerely hope that young people will keep sober-minded, stick to the correct political orientation, steadfastly rely on the masses, play an active part in socialist construction and the great cause of reform and opening up, and make valuable contributions to the motherland. The magnificent blueprint of socialism with Chinese characteristics drawn by Comrade Deng Xiaoping is now being materialized, and initial success has been achieved. So long as we strive unrelentingly to fulfill our goal, we are bound to further prove with hard facts that only socialism can bring about development in China.

Li Peng Urges Continued Import of Expertise

OW2906184490 Beijing XINHUA in English
1454 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—Premier Li Peng, along with Vice Premiers Yao Yilin and Wu Xueqian, met the participants in a national meeting on the import of overseas personnel and expertise here today [29 June].

Premier Li said that since the adoption of the reform and open policy, China has made achievements in the import

of personnel and expertise, which has promoted the modernization drive and economic development.

Li said China's reform and open policy will not change, and the country will continue and improve the import of foreign personnel and expertise.

Vice Premier Yao Yilin said learning advanced technology and management expertise and the import of overseas personnel is an important component of the open policy.

Yao noted that Overseas Chinese are willing to contribute their technological expertise to China's modernization, and many foreign scientists, engineers and technicians are supporting China's modernization drive and the international personnel exchange, which benefit each other.

Yao said he hopes officials in this field sum up experience and improve the work of importing overseas personnel with expertise.

According to reports at the five-day meeting, over the years, China has invited 180,000 overseas experts, from 50 countries and regions, who have made great contributions to the development of China's industry, agriculture, culture, education and medicine.

Qiao Shi at Zhou Enlai Statue Unveiling

OW0107144490 Beijing XINHUA in English
1354 GMT 1 Jul 90

[Text] Nanjing, July 1 (XINHUA)—A full-length bronze statue of the late Chinese Premier Zhou Enlai was unveiled today [1 July] in Nanjing, capital of Zhou's native province Jiangsu.

Qiao Shi, a member of the Standing Committee of the Political Bureau of the Chinese Communist Party Central Committee, unveiled the statue.

The ceremony was presided over by Jiangsu Governor Chen Huanyou. Nearly 350 people including members from the party's Central Advisory Committee, the National Committee of the Chinese People's Political Consultative Conference and other circles attended the ceremony.

Deng Yingchao, widow of Zhou Enlai, sent a representative to convey her thanks for the Jiangsu people.

The statue, set in the courtyard of a memorial museum related to Zhou, is 3.2 meters high and [figure indistinct] kg in weight. It was designed by Professor Qi Kang, sculptor Liu Kaiqu and his student Sun Jiabin, and cast by the Nanjing-based Chenguang Machinery Plant.

Article on International Antidrug Day

HK0207072190 Beijing RENMIN RIBAO in Chinese
26 Jun 90 p 3

[Article by Public Health Vice Minister Gu Yingqi (7357 5391 1142): "Resolutely Oppose Narcotic Abuse, Protect People's Health—Commemorating 'International Day of Prohibition of Narcotic Abuse and Drug Trafficking'"]

[Text] The 42d UN General Assembly held in 1987 adopted a resolution setting every 26 June as an international day of drug prohibition.

While developing and using some medicine that can relieve pain or mollify people's temper, mankind has also discovered its duality. If it is mistakenly used or abused, it can produce a dependence effect that is harmful to the health. When Western capitalists stepped up their external expansion and plunder by the mid-19th century, large amounts of narcotics became their tool of plunder abroad. The world-shaking "Opium War" broke out during that period. Over the past century or so, the increasingly grave narcotics abuse spread to many parts of the world, seriously harming people's health and hindering social stability and economic development. It has also become one of the grave social problems of today. As narcotics use is usually accompanied by drinking and smoking, and more than two kinds of narcotics are taken at the same time, it has become increasingly harmful to health. Moreover, a number of persons sharing a needle when taking drugs by means of intravenous injection has resulted in the spread of AIDS in some regions.

At present, the United States is the largest drug market and the drugs consumed there account for 60 percent of the world's total. There are drug addicts from the poor people to tycoons, and from secondary school students to superstars. In recent years, there have also been reports on drug abuse in the Soviet Union and a number of East European countries. According to a 1989 report, the Soviet Union registered 130,000 drug addicts. In Poland, the authorities estimate that there are around 16,000 people taking drugs. In Asia, output of opium from the "Golden Triangle" increased from 700 tons a few years ago to 2,000 tons in 1989. The question of heroin and armed drug-trafficking gangs has become increasingly prominent. This tendency seriously menaces stability, normal economic contacts in the international community, and harms the health of mankind. Hence, all countries agree that it is necessary to continue to exercise international control over narcotics and neurological medicine. It is also necessary to launch a large-scale drive at the state and international levels against narcotics abuse.

Historically, China has never grown opium poppies. Opium was imported by foreign countries in the 18th century. By the end of the 19th century, the imperialists annually sold 4,000 tons of opium to China, valued at 30 million taels of silver. In this regard, the struggles

launched by the people never ceased. Because of the corrupt and incompetent reactionary government, however, the number of people taking opium, morphine, and heroin throughout the country totaled 20 million, and the area of opium poppy grown totaled 1 million hectares until the pre-liberation period. The Chinese people were oppressed by imperialism, feudalism, and bureaucrat capitalism for a long time, and were also poisoned by narcotics.

To protect people's health, the party and government launched a nationwide struggle against after the PRC's founding. On 24 February 1950, Premier Zhou Enlai signed the "Circular on Banning Opium" that proposed a series of measures adopted to wipe out opium nationwide by the year 1952. The circular manifested the superiority of the socialist system and won the support of the people of the whole country and the acclaim of world public opinion.

In recent years, some international drug-trafficking gangs have regarded some Chinese provinces and cities as a channel for trafficking drugs. As a result, some people in China's border region have become drug addicts. The Chinese Government attaches great importance to this. In July 1971, the State Council issued a "Circular Reiterating Prohibition of Opium." In July 1987, the CPC Central Committee and State Council issued "Emergent Instructions on Prohibiting Opium" that proposed a series of measures against drug taking and trafficking. Above all, legislation work has been strengthened. The Standing Committee of the National People's Congress made the following complementary stipulations to Article 171 of the Criminal Law: Those who produce, sell, and transport narcotics will be sentenced to life imprisonment or death, according to the seriousness of the case. In 1988, the State Council promulgated "Management Methods for Narcotics" and "Management Methods for Neurological Medicine."

To strengthen the state's coordinated control organs, a "Narcotics Management and Drug Prohibition Coordination Conference," composed of responsible persons of the Public Health Ministry, Foreign Ministry, Public Security Ministry, and General Administration of Customs, was set up in March 1987 with the approval of the State Council. Moreover, the anti-contraband forces were strengthened and their technical equipment improved, which markedly increased on-the-spot drug inspection efficiency.

The struggle to wipe out the "six evils," including drugs, launched nationwide in the latter half of last year will be of great significance to protecting people's health and maintaining unity and stability. It will also be of significance in upholding the four cardinal principles, opposing bourgeois liberalization, and strengthening the building of socialist spiritual civilization. One of the essential means adopted by international hostile forces in pursuing their peaceful evolution strategy in China is making use of "pornography, gambling, and narcotics" to poison our people. Hence, we must heighten our

vigilance against the revival of drug taking in China. As China's southwest border is adjacent to the "Golden Triangle," an opium poppy-growing area, this indicates the protracted and arduous nature of China's anti-drug work.

When we are marking the international anti-drug day today, as a member of the "1981 Narcotics Accord" and "1971 Neurological Medicine Accord" and a signatory state to the "Accord Prohibiting Illegal Transport and Selling of Narcotics and Neurological Medicine" adopted by the United Nations in December 1988, the Chinese Government will, as always, continue to take resolute measures to strictly control and ensure that narcotics and medicine will be used only for medical purposes and limited to scientific research; sternly attack the illegal activities of the drug-trafficking gangs at home and abroad; force the addicts to give up drugs and adopt legislative measures to put an end to the harms of drug taking; and step up propaganda, educate people to guard against dependency on medicine, and prevent the spread of narcotics. Meanwhile, China's relevant departments have strengthened cooperation with the UN Office of Narcotics, the International Narcotics Management Bureau, the UN Anti-Drug Fund, the UN Development and Planning Bureau, the World Health Organization, the International Police Organization, the Customs Cooperative Council, and other international organs and developed bilateral cooperation with other friendly countries for the sake of contributing to strengthening international narcotics management work and to wiping out the harm of narcotics worldwide.

Marxist Theory on Human Rights Viewed

HK0207065390 Beijing GUANGMING RIBAO
in Chinese 18 Jun 90 p 3

[Article by Zhang Yeqing (1728 2814 3237): "Roundup of Seminar on Marxist Theory on Human Rights"]

[Text] The Society of Historical Materialism of China, XUEXI HE YANJIU magazine, and Beijing Teachers' College recently convened a joint seminar on Marxist theory on human rights in Beijing and conducted a beneficial exploration on various issues of Marxist theory on human rights, the essence of capitalist views on human rights, and the fundamental manifestations of socialist human rights. Comrade Wang Shoudao, member of the Standing Commission of the Central Advisory Commission, attended the seminar. The details of the seminar are summarized as follows:

First, objective analysis of the process of human rights evolution. Analysis of human rights cannot be separated from history or transcend reality. Participating comrades pointed out that the human rights issue was first mentioned by the bourgeois enlightenment thinkers of the modern times and was later propagated as a result of the French Revolution and the American Independence War. Objectively speaking, the theory on human rights as proposed by the burgeoning bourgeoisie in the struggle

of opposing the feudal autocratic system, including the ideological conception of democracy, freedom, equality, and universal fraternity, is a major liberation of the human spirit.

Viewing from the perspectives of anti-feudalism and anticolonialism, it is of a certain value to mention human rights. However, on the human rights issue, the capitalist theory on human rights is subject to historical limitations and embodies deception to a high degree. Even in the struggle against feudalism, the capitalist class tried to develop and reinforce capitalism and protect private ownership by taking advantage of the desires of the laboring people in their quest for freedom and equality. It is quite obvious that human rights have been distorted by capitalist scholars and in the capitalist society of the contemporary era.

Second, two fundamentally contrasting views on human rights. Participating comrades unanimously held that the Marxist view on human rights and the capitalist view on human rights are different in essence. They are of two fundamentally opposite views on human rights. First, Marxism takes on the view that human rights are not endowed by nature but are historical. They are a product of commodity economy. As pointed out by Marx, "As pure concepts, equality and freedom are merely ideas and expressions for changes in exchange values. As ideas developed in the legal, political, and social relationships, equality and freedom are but the basis of another dimension." ("Complete Works of Karl Marx and Frederick Engels," vol 46 p 197) Furthermore, Marxism maintains that human rights are characterized by their class nature. In a class society, human rights transcending class do not exist. Again, Marxism views that the contents of human rights are developing and are not fixed and unchangeable. Rights can never go beyond the scope of the socioeconomic structure, and sociocultural development is constrained by economic structure. Talking about human rights as separated from the economic structure, science, and culture of a nation will lead to errors in the human rights issue, and lapse into the quagmire of idealism. In addition, Marxism is of the opinion that human rights are not "absolute" and "nonrestrictive." On the contrary, the contents and exercise of human rights will all be directly restricted by law. The relationship between human rights and law is a dialectic relationship. On the one hand, the law stipulates human rights. On the other hand, the law also restricts and restrains human rights. The early bourgeois enlightenment thinkers did not deny this. Finally, viewed from the essence of human rights, the bourgeois theory on human rights protects capitalist ownership and the rule of capital. This is entirely different from the Marxist theory on human rights, which fundamentally demands the abolition of exploitation and eradication of class. Participating comrades took on the view that human rights are, first and foremost, a political issue, and, secondarily, a legal issue, and that the law also serves politics. Modern capitalist countries such as the United States have perpetually flaunted the banner of "human rights" to

unleash their attacks on socialist countries. Whoever does not listen to "what the United States says" will be beaten up by it with the rod of "human rights." The purpose of the U.S. human rights politics is to strangle and smother the development of socialism and Third World countries, to protect the long-term stable capitalist rule, and to promote worldwide development of capitalism.

As early as the 1970's, the United States publicly flaunted the banner of "human rights diplomacy," virtually making use of human rights to interfere with and take control of other countries. Participating comrades pointed out that, in semi-feudalistic and semi-colonial old China, only the imperialists, the feudal landlord class, and the bourgeoisie enjoyed human rights. The proletarian class and the broad masses of the people had no human rights. In a capitalist society, human rights also belong only to a small number of capitalists and exploiters, and members of the working class are employees of the capitalists. Essentially speaking, they neither have nor enjoy human rights. For this reason, the basic demand of the Marxist theory on human rights is the abolition of exploitation and eradication of class. Only in this way can we thoroughly materialize human rights for the broad masses of the people.

Third, fundamental manifestations of socialist human rights. Scholars taking part in the discussions maintained that a tiny number of "elites" taking part in the turmoil flew in the face of the facts, denied socialist human rights, and talked about "introducing" human rights from Western capitalism. This was very reactionary. All participants of the discussions held that the very few people who incited, planned, and directed the turmoil and counterrevolutionary rebellion, and the elements who treacherously fled overseas in the turmoil and counterrevolution of 1989, not only opposed the socialist system, but also sought refuge with hostile forces abroad to carry out activities that jeopardized the motherland and opposed the people. This has fully exposed their traitorous position and soul. They had even given up their national and personal character. What right do they have to talk about patriotism, democracy, and human rights? The slogan of the so-called "fighting for human rights" they have mentioned is, in the final analysis, nothing but bourgeois.

Participating scholars unanimously maintained that the fundamental manifestation of socialist human rights is associated with the eradication of exploitation and suppression, abolition of class and private ownership, and establishment of public ownership so that the people will become the masters of the country. The CPC precisely intends to establish the socialist public ownership and to truly materialize and expand the democratic rights of the laboring people. All participants stressed that human rights are not a patent of the capitalist class, that the socialist human rights can be seen everywhere, and that broad masses of the laboring people are masters of their own affairs. This is what capitalist countries lack, and marks earth-shaking changes. The superiority of the

socialist system is also fully demonstrated in the socialist human rights issue. According to analysis made by some scholars, there are two aspects in human rights—individual human rights and collective human rights. We emphasize collective human rights. The reason is that if a nation fails to maintain national sovereignty, how can it talk about individual human rights? The old China did not have any national sovereignty. People were bullied and suppressed by imperialism. Given such conditions, the right of existence, the right of self-determination, and the right of development of the laboring people were out of the question. For this reason, to actually materialize socialist human rights, it is necessary to first establish the socialist system, to make the laboring people the masters of the nation. In this regard, China has most highly emphasized human rights.

Some scholars also mentioned that the reality of human rights and theory on human rights are two different concepts. The Marxist theory on socialist human rights and the capitalist theory on human rights are different in substance. But this does not deny the fact that there exists a struggle of human rights on important international issues. We must recognize the international standard for human rights, and at the same time we must strictly discern the demarcation line between international law and domestic law. Anything that impairs international security and environment falls within the scope of international law. On the other hand, domestic law has its national boundary. "Quelling the 4 June rebellion" of our country last year is entirely an internal affair of a nation and substantially comes under the scope of domestic law. Some Western capitalist countries flaunt the banner of "human rights" and interfere with the internal affairs of our nation. This is an expression of capitalist power politics, against which our government must, of course, conduct a powerful struggle. Contrary to the human rights politics of Western capitalist countries, socialist China consistently respects basic human rights with regard to the human rights issue, and opposes any nation, group of nations, or national organization that uses the pretext of the so-called "human rights" issue to interfere in the internal affairs of other countries. The Chinese government never interferes with the internal affairs of other countries under any pretext and will never allow other countries to interfere with China's internal affairs. China resolutely denounces all criminal acts of trampling on the right of self-determination and practising racial discrimination and racial segregation.

Party Spirit, Free Creation Viewed

HK3006070690 Beijing WENYI LILUN YU PIPING
in Chinese No. 3, 24 May '90 pp 29-32

[Article by Li Xifan (2621 1585 0416): "The Principle of Party Spirit and Freedom of Creation"]

[Text] The Editorial Department of WENYI LILUN YU PIPING has held a symposium on the problem of principle of party spirit concerning literature and art.

and it should be regarded as a rare event that has not occurred in literary circles for many years. I remember that during the late 1970's and early 1980's, the party's ability to guide literature and art and its suitability to "manage literature and art" was challenged. Some literary writers, including some of the party's well-known literary writers, have said openly: "If the party manages literature and art too concretely, then literature and art will have no hope and will no longer exist." They added: If the party manages literature and art, it will "find trouble for itself" and "bring disaster to literature and art;" "literature and art are the things that belong to literary writers themselves," and "literature and art are not subject to restriction nor can they be restricted." This challenge was even carried by the party's newspapers. Someone explicitly opposed the basic viewpoint of Lenin's "Party Organization and Party Literature," and said: "The party is part of the people, and we cannot say the people's undertaking is the party's undertaking, nor can we say literature and art are only a 'cog and screw' in the party's work mechanism."

In fact, when Lenin made this comparison, he said: "All comparisons are lame." "So is my comparison of literature with a cog, of a living movement with a mechanism." He had even estimated: "And I daresay, there will even be hysterical intellectuals to raise a howl about such a comparison, which degrades, deadens, 'bureaucratizes' the free battle of ideas, freedom of criticism, freedom of literary creation, etc., etc." In a period of more than 80 years, the world's bourgeois literary circles have indeed made quite a few of these kind of cries. In our country, literary circles began to have this kind of "puzzle" only in the early 1980's. Over the years, because the translated materials have changed to be "the party's publication," not only the "party spirit of literature" diminished totally, but even the "era of rational literature" initiated by Comrade Mao Zedong's "Talks at the Yanan Forum on Literature and Arts" was ferociously cursed at: "Rational literature rules rigid society and declining race; it is the literature of the sick people, as well as the opiate for the literature of the sick people." (SHULIN No. 5, 1989) If literature is stripped of rationality, then the "sensational literature," not penetrated by any rationality, can only be the literature of sexual passion or literature of barbarity. During recent years, in literary circles, the phenomena of interpreting ugliness as beauty, of being vulgar and low, and of a degraded spirit, have fully illustrated what kind of thing this "irrational literature" exactly is!

The party has not been able to exert leadership over the undertaking in literature and art, not to mention the party spirit of literature and art! However, The revolution led by the Communist Party is a revolution aimed at overthrowing all the exploiting classes, and in particular, it is a revolution that has a direct confrontation with the bourgeoisie, ruler of the actual world; is it true that no battle can be fought in the area of ideology, and compromise can be made? Marx and Engels explicitly announced in the Manifesto of the Communist Party:

"Communist revolution is for splitting up completely with the traditional ownership system; it must split itself completely with traditional concept in its own course of development, and this is not strange." Literature and art, having the form of concept, are reflections of certain social life in the mind of the literary writers, and, therefore, in the real world, they cannot but possess certain trends, therefore, communist ideology must fight for occupying the domain of literature and art. It was precisely in this way Lenin raised the question in his "Party Organization and Party Literature:" "For the socialist proletariat, literature cannot be a means of enriching individuals or groups: It cannot, in fact, be an individual undertaking, independent of the common cause of the proletariat. Down with nonpartisan writers! Down with literary supermen! Literature must become part of the common cause of the proletariat, 'a cog and a screw' of one single great social-democratic mechanism set in motion by the entire politically conscious vanguard of the entire working class."

Regardless of whether it is translated as "literature" or "writing," it undoubtedly contains literature and art. It is because when Lenin refuted the erroneous theory of the so-called "absolute freedom" of creation, he said in particular: "Are you free in relation to your bourgeois publisher, Mr. Writer, in relation to your bourgeois public, which demands that you provide it with pornography in frames and paintings, and prostitution as a 'supplement' to 'sacred' scenic art? This absolute freedom is a bourgeois or an anarchist phrase (since, as a world outlook, anarchism is bourgeois philosophy turned inside out). One cannot live in society and be free from society. The freedom of the bourgeois writer, artist, or actress is simply masked (or hypocritically masked) dependence on the money bag, on corruption, on prostitution."

In a class society, and particularly during the era of proletarian revolution and construction, socialist countries are still faced with an acute struggle between subversion and antisubversion, and between "peaceful evolution" and anti-peaceful evolution; it is impossible for literature to be free of social tendency, class tendency, and the tendency of party spirit. However, the socialist literature of the proletariat does not avoid and openly admits its own principle of party spirit, and consciously unites its own creation with the socialist revolutionary undertaking, with the proletariat, and with the fate of the great masses of the people, enabling its own ideas guiding creation to have a clear goal and ideal of serving the people and socialism.

In the 1940's, the "Talks at the Yanan Forum on Literature and Art" by Comrade Mao Zedong was a work that was based on China's situation and on the need of the revolutionary situation and of the development of revolutionary literature and art in China; applied the stand, viewpoint, and method of Marxism-Leninism; scientifically explored the overall relations between literature and life, people, society, politics,

revolutionary work, and popularization and improvement; and explicitly raised the problem of for whom literature serves and how to serve, and the problem of world view of the literary workers, profoundly and systematically developing Lenin's thought of party spirit of literature and art. Although within the speech there are isolated points—such as the saying that literature and art are subordinate to politics—that we discontinue talking about nowadays (but its proposal at that moment also reflected the need of the objective situation), while the saying of literature and art serving the workers, peasants, soldiers, as well as the greatest mass of people, has now changed to serving the people and socialism, the principle of party spirit in Mao Zedong's thought concerning literature and art still has a general guiding significance for our country's socialist literature and art.

Although "Deng Xiaoping on Literature and Art" is a work based on the new need of the new period of socialist history, a work that summed up the positive and negative experience since the founding of the nation, a work that put forward many new conclusions, and a work that inherited and developed Mao Zedong's thought concerning literature and art, he has always objected to spiritual pollution, upheld the struggle against bourgeois liberalization on the literary front, and explicitly embodied his adherence to the principle of party spirit of literature and art.

He criticized the "theoretical field and literary circles for having a number of problems and serious chaos, especially the phenomenon of spiritual pollution." He accused literature and art of "departing from the socialist track, departing from party leadership, engaging in bourgeois liberalization," revealing profoundly and substantially the danger of spiritual pollution and bourgeois liberalization. He said: "Spiritual pollution causes great danger, which is enough for bringing disaster to the country and the people; it blurs the boundary between right and wrong among the people, causes disunity and dispirited and lax emotion, eats away people's souls and willpower, and enhances the trend of thought which is skeptical toward or even negates socialism and party leadership." This apparently illustrates the struggle against the nonpartisan trend in the area of literature and art.

However, over a certain period of years, facing the bourgeois liberalization in the domain of literature and arts, some party leaders were weak and dispirited, to the extent that they tolerated and protected it, and even abolished the resolution to fight spiritual pollution and bourgeois liberalization, and eventually put forward the surrendering slogan of "little interference" and "little intervention," causing unprecedented chaos in China's literary arena. Their various "theories" distorting, attacking, and slandering the "Talks" by Comrade Mao Zedong (including Comrade Deng Xiaoping's ideas on literature and art), were in essence aimed at party leadership over literature and art and at the thought of party spirit of literature and art. A glimpse at the arguments carried by some articles published shortly

before a time when the rebellion was quelled in 1989 can tell what they had opposed and what they had demanded:

First, in Xia Zhongyi's "History Cannot Be Evaded," (WENXUE PINGLUN No. 4, 1989) he attacked the literary orientation of serving the workers, peasants, and soldiers proposed by Comrade Mao Zedong, and said: "That literature and art first serve workers, peasants and soldiers' is not meant mainly to improve their cultural quality or their standard for aesthetic judgment, but to arouse political emotion to suit the need of revolution...the purpose is to enable literature and art to have more of a practical value for politics." In his "theory of establishing an unitary function," he said: "Literature and art must be independent from politics," and his slogan were "self-consciousness of literature," "independence of discussion," and "emancipation of mankind."

Second, in Dong Zhaobin's "How Is the Sword of Damocles Forged," (SHULIN No. 5, 1989) he openly condemned the "Talks" as "a kind of pragmatic literary viewpoint," and accused the history of revolutionary literature and art guided by the "Talks" as "a ridiculous opera of contemporary Chinese culture masked with Marxism."

Third, in Xie Xuanjun's "The Rationality and Servility of Literature and Art," (ibid.), he slandered the relations between literary undertaking and revolution discussed by the "Talks" as an "official view of literature and art." According to his explanation, the "so-called official view of literature and art refers to the official attitude toward literary and art activities, and to the demand that literary and art activities give up their cultural function and serve only the consolidation of official organs."

We can see that these writers were flaunting the sign-board of multifunctions of literature and art, to oppose and negate the principle of party spirit—"party literature and party supervision over party literature" established by Lenin. What they had wanted to achieve was, as stressed repeatedly by "Deng Xiaoping on Literature and Art," "the support of the trend of thought whereby some people doubt and even negate socialist literature and art and party leadership." This kind of uproar, demanding nonpartisan literature and art "independent from politics," is never "true and real freedom," (Lenin) but is an attempt to replace socialist politics of the proletariat with the politics of bourgeois liberalization, and to replace the "freedom" of the principle of party spirit of the Communist Party with the party spirit of bourgeois liberalization. The supreme domain of the so-called "three ladders of literature and art" mentioned by Xia Zhongyi, and that was, the "cream of the intellectual field," which was independent from socialist politics and separated from the CPC's leadership and influence, had directed a political riot in Tiananmen Square for seizing power just before he published his article! During the past years, the things advocated by this "cream of the thinking circles" were precisely this

kind of "self-consciousness of literature," "independence of discussion," and "emancipation of mankind!" However, the political storm in the late spring of 1989 unveiled their masks, and revealed this so-called "cream of the thinking circles that does not rely on any group of power politics for its influence," but relied on the reactionary forces at home and abroad, and stirred up violent disturbances and riots against the people. When the riots failed, they either retreated to a certain foreign embassy like a tortoise retreating its head, or fled to foreign countries and relied on "money and a commanding knife," thus becoming the real traitors, and revealing that their "words of absolute freedom are sheer hypocrisy." (Lenin)

Of course, the thought of party spirit of literature and art is never like what is distorted by Xia Zhongyi: rejecting various functions of literature and art, as well as their nature of aesthetic judgment and freedom of creation.

In his discussion on party literature, Lenin stressed in particular this aspect of nature and characteristics of literature and art: "There is no question that literature is least of all subject to mechanical adjustment or leveling, to the rule of the majority over the minority. There is no question either that in this field greater scope must undoubtedly be allowed for personal initiative, individual inclination, thought and fantasy, and form and content."

Comrade Mao Zedong pointed out particularly in his "Talks" when discussing the problem of artistic nature and aesthetic judgment of literary works, that:

"The people do not content themselves with the former and ask for the latter. And why? It is because although the two are beauties, the life reflected by literary work should and can be higher than the ordinary actual life, more intense, more concentrated, more typical, and more ideal, therefore it is more general."

For this, Comrade Mao Zedong formulated the policy of letting "a hundred flowers bloom" for the party, to bring prosperity and development to socialist literature and art. He said explicitly: "a hundred flowers bloom" means "policy enhancing development of literature and art; different styles and moods of literature and art can freely develop." He added: "The standards of literary works certainly require respective criteria." ("On the Problem of Properly Handling the Internal Conflict Among the People")

In his "Congratulatory Speech" delivered at the Fourth Congress of Chinese Writers and Artists, Deng Xiaoping eagerly described bringing about development and prosperity to the broad prospect of socialist literature and art:

"China has a long history, a vast territory, and a huge population. Our people are of many nationalities and of different professions, ages, experience, and educational levels, and they have varied customs and cultural traditions and varied preferences in literature and art. All creative works—whether epic or cameo, serious or humorous, lyrical or philosophical—should have their place in our garden of literature and art, so long as they help to educate and enlighten the people while providing them with entertainment and aesthetic pleasure. The deeds of heroes, the labor, struggles, joys and sorrows,

partings, and reunions of ordinary people, and the life of our contemporaries and of our predecessors—all these should be depicted in our works of literature and art. We should draw on and learn from all that is progressive and advanced in the literature, art, and performing arts of Old China, and of other countries as well."

He gave advice on the party guiding literature and art: The rule of literature and art must be fully respected. "What subjects they should choose for their creative work and how they should deal with those subjects are questions that writers and artists themselves must examine and gradually resolve through practice. There should be no arbitrary meddling in this process."

It is true that the multiple functions of literature and art, and their nature of aesthetic judgment and freedom of creation discussed by Comrade Lenin, Comrade Mao Zedong, and Comrade Deng Xiaoping, are not the abstract and class-transcending "nature of aesthetic judgment" and "freedom of creation" mentioned by Xia Zhongyi. The reason why the socialist literature and art of the proletariat dare to openly announce the principle of party spirit is because they really reflect the clear tendency of the majority of mankind fighting for freedom, and are penetrated with the ideal of aesthetic judgment aimed at emancipation of the whole of mankind—an ideal of the most advanced class of mankind.

In "Party Organization and Party Literature," Lenin described "free literature" in the following way:

"It will be free literature because the idea of socialism and sympathy with the working people, and not greed or careerism, will bring ever new forces to its ranks. It will be a free literature because it will serve, not some satiated heroine, not the bored "upper 10,000" suffering from fatty degeneration, but the millions and tens of millions of working people—the flower of the country, its strength and its future."

The party spirit of socialist literature and art, as well as their freedom, are harmonious here. During the past 85 years, Lenin's thought of party spirit of literature and art has always guided the direction of socialist literature and art of the proletariat; in China, from the Left-Wing Movement in Literature and Art, to Mao Zedong's thought of literature and art, and to "Deng Xiaoping on Literature and Art," an overall historical development in the struggle against various bourgeois thoughts of literature and art has been gained. It is the strong weapon with which we oppose bourgeois liberalization in the area of literature and art.

Today, after we have experienced the great flood of bourgeois liberalization in the area of ideology, we, in order to clarify right from wrong in theory, in ideology, must restudy Lenin's thought of party spirit of literature and art, and reiterate the principle of party spirit of literature and art, and this is of great practical significance not only to party-member literary writers, but also to the great masses of literary and art workers, for it points out clearly the socialist orientation of literature and art, and brings prosperity to socialist literary creation.

East Region

Jiangxi Province To Improve Investment Climate

OW0307044090 Beijing XINHUA in English
0820 GMT 2 Jul 90

[Text] Nanchang, July 2 (XINHUA)—East China's Jiangxi Province is focusing on improving its investment climate to attract foreign investors.

The province, with 146 different minerals, ranks first in the country in deposits of 12 minerals, including copper, silver and tantalum.

In recent years, the province built and upgraded highways and railways. A foreign trade port with an annual handling capacity of 600,000 tons has built, and key river courses have been dredged.

The province is presently building a number of power plants to alleviate its electrical shortage.

With the installation of two digital micro-wave telecommunications lines and the Nanchang-Jiujiang optical communications line, seven prefectures and cities in the province have direct contact with the outside world.

Leading Officials Participate in Census in Jinan

SK0307013090 Jinan Shandong Provincial Service
in Mandarin 2200 GMT 1 Jul 90

[Text] The first day of the fourth national census falls on 1 July. There are 320,000 census personnel and 120,000 census guides throughout the province, who have been strictly selected or transferred by provincial authorities, been well trained, and recruited by success in examinations. They are going from street to street, lane to lane in various localities to question, individually, more than 20 million families and collectives and to register the answers to the 21 questions on the census form.

Being common citizens, leading comrades were reporting to the census registration office of Jinan City on 1 July, including Jiang Chunyun, secretary of the provincial party committee; Ma Zhongchen, deputy secretary of the provincial party committee; Li Zhen, chairman of the provincial People's Congress Standing Committee; He Guoqiang, member of the provincial party Standing Committee and secretary of the Jinan City Party Committee; Ma Zhongcai, member of the provincial party Standing Committee and secretary general of the provincial party committee; and Li Chunting, chief of the provincial census leading group and vice governor of the province. They also went on foot to two residences to witness the registration activities. Zhao Zhihao, deputy secretary of the provincial party committee and governor of the province, made his census registration in Qingdao City.

During his application for census registration, Comrade Jiang Chunyun was interviewed by a reporter. He stated

in the interview that the fourth national census represents an important overview of the country's conditions and strength and also a look at the conditions of the province, cities, and counties. The census results will provide a scientific basis for making policy decisions for the province, formulating its economic and social development plans for the 1990's, and will play an important part in making the people wealthy and the province prosperous. He urged various localities to foster the concept of scoring better census quality and taking the whole situation into consideration, to do things strictly according to the relevant regulations and demands, and not to muddle through their work so the accuracy of census materials will be ensured.

During the interview, Comrade Jiang Chunyun expressed thanks for the hard work done by the census personnel across the province and cordial regards to the broad masses of census working personnel.

Meeting on Building Veteran Cadre Party Branches

SK0207043590 Jinan Shandong Provincial Service
in Mandarin 2200 GMT 30 Jun 90

[Text] On the morning of 30 June, the Organization Department of the provincial party committee, the work committee of the organs of the provincial party committee and the provincial government, the Veteran Cadre Bureau of the provincial party committee and the provincial Personnel Affairs Bureau jointly held a meeting at the auditorium of the club of the Nanjiao Hotel in Jinan to exchange experience in the work of party branches of veteran cadres of provincial-level organs. Tan Fude, member of the Standing Committee of the provincial party committee and director of the Organization Department, gave a speech in which he offered three suggestions on how to strengthen the building of party branches of veteran cadres of provincial-level organs: 1. Party committees of all units should further enhance their understanding and include the work of building party branches of veteran cadres on the agenda of party building of their organs. 2. It is necessary to select and provide the leading bodies of the party branches of veteran cadres, strengthen the building of systems and fully display the role of the party branches of veteran cadres as the fighting bastions, and enable them to gradually become fighting collectives for uniting with and leading veteran cadres to advance with concerted efforts. 3. It is necessary to further clarify the major tasks of the party branches of veteran cadres, organize veteran comrades to study Marxism-Leninism-Mao Zedong Thought in line with their characteristics, strengthen communist conviction, and fully display their political advantages and role.

Shandong Conference on Recovering Firearms

SK3006090090 Jinan Shandong Provincial Service
in Mandarin 2200 GMT 29 Jun 90

[Text] Recently, the provincial government held a telephone conference to implement the guidelines of the

State Council's telephone conference on strengthening the safe management of explosives and firearms.

Gao Changli, vice governor of the province, made a speech at the conference.

The conference called for the screening and consolidation of units that manufacture, store, market, transport, and use explosives and firearms. It also called for the rectification and reform of unsafe elements, if discovered, within a fixed period of time.

The conference maintained that all localities should concentrate efforts on recovering firearms and explosives that remain scattered in society. Public security organs at various levels and relevant departments should closely cooperate with each other to strengthen security work among railway stations, wharves, and airports, and they should adopt strict measures for preventing explosives from illegally being brought into Beijing. Meanwhile, we should strictly and rapidly deal blows, according to the law, to serious criminals who commit violent acts with guns or explosives.

Zhu Rongji Addresses Forum on CPC Anniversary

*OW0307011490 Shanghai City Service in Mandarin
2200 GMT 30 Jun 90*

[By station reporter (Wang Liang); from the "Morning News" program]

[Text] The Shanghai Municipal CPC Committee held a forum to mark the 69th founding anniversary of the CPC on 30 June. Secretary Zhu Rongji and Deputy Secretary Wu Bangguo of the municipal party committee spoke.

Chen Guodong, Huang Ju, Chen Zhili, Zhang Dinghong, Mao Jingquan, Zhao Qizheng, Wang Liping, Chen Tiedi, and Ba Zhongtan, responsible comrades of the party, the government, and the Army of the municipality, together with veteran comrades (Zhu Ming), (Xia Zengnong), (Chen Yi), and (Yang Shifa) attended the forum.

Those who have distinguished themselves in performing party work in all fields of endeavor, representatives of excellent party members, representatives of advanced party organizations at the grassroots level, and representatives of retired veteran comrades who had taken part in revolution in different historical periods, took the floor. They looked back on the great and unusual course taken by the party over the past 69 years, and expressed their firm conviction in carrying forward the revolutionary cause and forging ahead into the future, as well as a strong sense of historical responsibility.

In his speech, Wu Bangguo pointed out: Under the new situation, it is necessary to stress, in particular, the importance of inspiring the one million Communist Party members with enthusiasm, adhering to the loftiest ideal of communism, keeping up the spirit of plain living and hard struggle, and encouraging the spirit of selfless

dedication. We must give full play to the role of grassroots-level party organization as a fighting bastion and the exemplary vanguard role of party members. It is incumbent on the party organizations at all levels to be really strict with party members.

Zhu Rongji, secretary of the municipal party committee, delivered a speech at the forum. He called on all the Communist Party members in the municipality to learn again and continue to carry forward the party's three great workstyles of integrating theory with practice, strengthening the ties between the party and the masses, and conducting criticism and self-criticism. He stressed the need to pay close attention to improving the party's workstyle, promoting honesty in performing official duties, and strengthening party building.

According to another report, the Yangpu District Party Committee sponsored large-scale activities to mark the party's birthday on 30 June. The themes of these activities centered on praising the party and the socialist motherland and commending and publicizing the advanced deeds of advanced party branches and excellent party members.

Central-South Region

Census Targets Guangdong's Floating Population

*OW0207110090 Beijing XINHUA in English
0938 GMT 2 Jul 90*

[Text] Guangzhou, July 2 (XINHUA)—The census has had more difficulties in coastal Guangdong Province than in other Chinese provinces due to its massive transient population.

Guangdong's transient population, estimated at five million, has created headaches for the province's census takers during the nation's fourth census which began today.

Guangdong, neighbouring Hong Kong, has a population of about sixty million.

Vice-governor Liu Weimin said, "as one of the most prosperous regions in China, Guangdong has attracted many inland people who come to seek employment opportunities or higher pay." Counting the transient population is a key factor for the province's census, Liu said.

Some of the transients are people on business living in hotels with no fixed jobs and addresses.

Other components of the transient population are temporary workers employed in rural enterprises and foreign-funded firms.

In Guangzhou and Shenzhen two of the province's major cities, the transient population totals over one million each, while their regular residents are estimated at three million and one million, respectively.

"To tackle the census properly, Guangdong started preparation one year ago," according to Chen Keyuan, director of provincial statistical bureau.

A publicity campaign has been waged province-wide to create awareness and win public support.

Bill boards have been installed in cities and villages, and local governments have organized students to spread knowledge of the census in streets.

Meanwhile, Chen said, special courses have been held for census takers.

He said that over 200,000 enumerators have obtained qualification certificates through examination and are now busy conducting their work.

According to Vice-governor Liu, the provincial government has required all institutions and firms to report their present employment information accurately to census offices, or face administrative punishment.

The census, now well under way in the province, is expected to conclude before July 10, Liu said.

Guangdong Meeting Cites Excellent Party Members

HK0207110190 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 29 Jun 90

[Excerpts] A meeting of citing exemplary party members and excellent party workers from the progressive primary party organizations of our province was held at the Zhudao Hotel in Guangzhou on the afternoon of 29 June.

Sixty six representatives representing 300 exemplary party members and 150 outstanding party workers of 150 commended, advanced primary party organizations attended the meeting. [passage omitted]

Provincial party committee leaders Lin Ruo, Xie Fei, Guo Rongchang, Zhang Guoying, Song Zhiying and Wang Zongchun; and leaders of the provincial advisory commission, the provincial people's congress, the provincial Chinese People's Political Consultative Conference committee, and the provincial discipline inspection commission Du Ruizhi, Liu Junjie, (Zheng Qing), Wang Pingshan and Kang Leshu attended the meeting.

Provincial Party Committee Deputy Secretary Zhang Guoying read out a decision made by provincial party committee on commending progressive primary party organizations, exemplary party members and outstanding party workers.

The provincial party committee called on party organizations at different levels, all party members and all party workers to learn from them for cherishing the lofty goal of communism, serving the people wholeheartedly, being the first to bear hardships, the last to enjoy comforts, being devoted to their duties, quietly immerse themselves in hard work, doing their own job well in a down-to-earth manner, scoring first-class achievements

in their work, being concerned about the weal and woe of the people and doing more actual things for the people.

Provincial party committee secretary Lin Ruo delivered a speech at the meeting.

Guangdong Cites Discipline Inspection Workers

HK0207111990 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 29 Jun 90

[Text] The CPC Discipline Inspection Commission of Guangdong Province held a meeting in Guangzhou City from 28 to 29 June to cite progressive discipline inspection organizations and excellent discipline inspection workers of the province.

Sixty one progressive discipline inspection organizations including the Shantou City Discipline Inspection Commission, and 153 excellent discipline inspection workers were commended at the meeting.

Lin Ruo, Xie Fei, Zhang Guoying, Du Ruizhi, Liu Junjie, Wang Pingshan and other leaders of the provincial party committee, the provincial advisory commission, the provincial people's congress and the provincial Chinese People's Political Consultative Conference committee attended the prize-awarding ceremony this afternoon.

Guangxi CPC Secretary Receives Census Workers

HK0307041590 Nanning Guangxi Regional Service in Mandarin 1030 GMT 1 Jul 90

[Excerpt] Today marks the beginning of the fourth national census registration.

This morning, in spite of the heavy rain, two census workers arrived punctually at the homes of a number of provincial party and government leaders, including Chen Huigang, Cheng Kejie, Tao Aiyang, and Li Zhenqian, to carry out census registration.

All the provincial party and government leaders warmly received the two census workers and filled in their census registration forms.

Comrade Chen Huiguang urged all the census workers in Guangxi to exert their utmost to make the current census work a complete success, saying that the success of Guangxi's census work has an important bearing on Guangxi's economic development, grain production, and other developments in the years ahead.

At 10:00 this morning, despite the heavy rain, Comrade Cheng Kejie also went to a neighborhood committee in Yongxin District of Nanning City to inspect the census registration work there. [passage omitted]

Li Changchun Appointed Henan Acting Governor

*HK0207062390 Zhengzhou Henan Provincial Service
in Mandarin 2200 GMT 29 Jun 90*

[Text] The 16th Meeting of the Standing Committee of the Seventh Henan Provincial People's Congress concluded in Zhengzhou yesterday morning.

The meeting approved the "Decision on Accepting Resignation of Comrade Cheng Weigao as Governor of Henan Province" and the "Decision on Appointing Comrade Li Changchun as Vice Governor and Acting Governor of Henan Province."

Yesterday's meeting was presided over by Yang Xizong, chairman of the Henan Provincial People's Congress Standing Committee.

Yesterday's meeting also adopted "Henan Provincial Measures of Implementing the PRC Law of Assembly, Procession, and Demonstration" and the "Resolution on Henan Provincial Final Accounts in 1989" and approved the "Report on Henan Provincial Final Accounts in 1989," which was delivered by Hu Shuli, director of the Henan Provincial Finance Department, on behalf of the Henan Provincial People's Government, "Resolution on Mobilizing People To Complete Afforestation in Entire Henan Province within Next Decade," "Resolution on Strengthening Work of Combatting Illiteracy," and amendments of six local regulations of Henan Province regarding urban construction and urban management.

Yesterday's meeting also accepted the resignation of Comrade Si Zhiguang as secretary general of the Seventh Henan Provincial People's Congress Standing Committee.

In accordance with the proposals made by the Henan Provincial People's Government, yesterday's meeting also removed from office Comrade Liu Zhengqi as director of the Henan Provincial Rural Work Commission and Comrade Zhen Shaoxing as director of the Henan Provincial Geological and Mineral Resources Department and appointed Comrade Wang Chonghan as director of the Henan Provincial Personnel Department and Comrade Zhang Hengyuan as director of the Henan Provincial Geological and Mineral Resources Department.

Yesterday's meeting also approved lists of appointments of judicial and procuratorial personnel, which had been submitted respectively by the Henan Provincial Higher People's Court and the Henan Provincial People's Procuratorate.

The outgoing Henan Governor Cheng Weigao delivered a speech at yesterday's meeting.

In his speech, Comrade Cheng Weigao said that during his three-year tenure of office as governor of Henan Province, he had done his best to promote Henan's development, conscientiously implemented to the letter

all the principles and policies formulated by the CPC Central Committee and the State Council, and served the Henan people with one heart and one mind.

Comrade Cheng Weigao expressed his heartfelt thanks to the Henan Provincial CPC Committee, the Henan Provincial People's Congress, and the Henan people for their unreserved support over the past three years.

Comrade Cheng Weigao said that despite the fact that he is leaving Henan soon, he will continue to show concern for the development of all types of undertakings in Henan and continue to make contributions to Henan's development in the years to come.

The newly appointed Acting Governor Li Changchun also delivered a speech at yesterday's meeting.

In his speech, Comrade Li Changchun said that all the previous provincial people's governments of Henan have made important contributions to Henan's development. During Comrade Cheng Weigao's tenure of office, Henan has laid a solid foundation for her own future development.

Comrade Li Changchun said that he felt greatly honored upon hearing his appointment as acting governor of Henan Province, adding that his task will be an arduous one. He said that he will modestly learn from all the veteran leaders in Henan and learn from practice, the Henan people, the cadres at all levels in Henan, as well as all the comrades of the Henan Provincial People's Congress during his tenure of office.

Comrade Li Changchun expressed the hope that the Henan Provincial People's Congress will continue to give its unreserved support to and supervise the work of the Henan Provincial People's Government in the years ahead.

Comrade Li Changchun pledged to exert his utmost to push ahead with Henan's socialist construction under the leadership of the Henan Provincial CPC Committee and in accordance with the instructions issued by the CPC Central Committee and the State Council.

Comrade Yang Xizong delivered a concluding speech at yesterday's meeting.

In his speech, Comrade Yang Xizong expressed the hope that the people's congresses, people's governments, people's courts, and people's procuratorates at all levels in Henan will cooperate and coordinate with one another in properly handling the relationship between supervision and support so as to make greater contributions to the building of four modernizations in Henan under the leadership of the Henan Provincial CPC Committee.

Yesterday's meeting was also attended by Lin Xiao, Ji Hanxing, Wu Shaokui, Guo Peiyun, Fan Lian, and Hou Zhiying, vice chairmen of the Henan Provincial People's Congress Standing Committee.

Hou Zongbin, Cheng Weigao, Li Changchun, Zhao Di, Liu Guangxiang, Song Zhaosu, who is vice governor of Henan Province, Zheng Zengmao, who is president of the Henan Provincial Higher People's Court, leading comrades of the Henan Provincial People's Procuratorate, leading comrades of standing committees of the people's congresses at all levels in Henan, and leading comrades of all the departments concerned in Henan also attended yesterday's meeting as nonvoting delegates.

Hou Zongbin Addresses Cadres' Meeting

HK0207112990 Zhengzhou Henan Provincial Service in Mandarin 2200 GMT 30 Jun 90

[Excerpt] The Henan Provincial CPC Committee held a cadres' meeting in Zhengzhou yesterday.

Li Changchun, the newly appointed deputy secretary of the Henan Provincial CPC Committee and concurrently acting governor of Henan Province, and Wu Jichuan, the newly appointed deputy secretary of the Henan Provincial CPC Committee, met with all the cadres attending the meeting.

Hou Zongbin, secretary of the Henan Provincial CPC Committee, delivered a speech at the meeting.

In his speech, Comrade Hou Zongbin mainly dwelt on the question of how to implement to the letter the Central Authorities' instruction on cadre exchange and the question of how to prepare for the convocation of the Fifth Henan Provincial CPC Congress.

After relaying the spirit of the Central Authorities' instruction on cadre exchange, on behalf of the Standing Committee of the Henan Provincial CPC Committee, Comrade Hou Zongbin fully affirmed the work done by Comrade Cheng Weigao during his tenure of office as governor of Henan Province and introduced Comrade Li Changchun, the newly appointed deputy secretary of the Henan Provincial CPC Committee and concurrently acting governor of Henan Province, to all the cadres attending the meeting.

Comrade Hou Zongbin called on all the cadres in Henan to conscientiously study and comprehend the spirit of the Central Authorities' instruction on cadre exchange, implement to the letter all the instructions issued by the Henan Provincial CPC Committee in this regard, and strive to maintain continuity and stability of Henan's work.

Comrade Hou Zongbin said that the Central Authorities have decided to appoint Comrade Wu Jichuan, formerly vice minister of the Chinese Ministry of Posts and Telecommunications, as deputy secretary of the Henan Provincial CPC Committee. The appointments of Li Changchun and Wu Jichuan manifests a reinforcement of Henan's leading organ.

Comrade Hou Zongbin believed that the broad masses of the cadres and people in Henan will undoubtedly give their unreserved support to the two newly appointed provincial leaders.

Comrade Hou Zongbin said that the Standing Committee of the Henan Provincial CPC Committee has proposed holding the Fifth Henan Provincial CPC Congress in Zhengzhou in late October or early November of this year. The Henan Provincial CPC Committee called on the CPC organizations at all levels and all the CPC cadres and members in Henan to brace up, overcome difficulties, unite closely, make concerted efforts, and strive to promote the development of all types of undertakings in Henan.

Comrade Cheng Weigao, Comrade Li Changchun, and Comrade Wu Jichuan also delivered speeches one after another at yesterday's meeting.

Comrade Cheng Weigao disclosed that according to a decision made by the Central Authorities, he would soon be transferred to Hubei Province. Although he had worked in Henan for a short period of three years, he had accumulated a lot of valuable experiences. [passage omitted]

State Council Team Visits Hunan Disaster Areas

HK0207110390 Changsha Hunan Provincial Service in Mandarin 2200 GMT 29 Jun 90

[Excerpt] Accompanied by Vice Governor (Zhou Kangning), a five-member State Council comfort team headed by Zhang Dejiang, vice minister of Civil Affairs, for afflicted areas in Hunan Province, arrived in (Nanbei) prefecture on the afternoon of 29 June.

On the morning of the day, members of the comfort team, together with leaders of the provincial and prefectural departments concerned, visited the Lianyuan Iron and Steel Plant to extend regards to family members of victims and the wounded in the collapse of walls because of torrential rains. Vice Minister Zhang and Vice Governor (Zhou) first called on the family of a worker called (Tao Jianhua) and expressed sympathy and solicitude for the death of his wife (She Qinghua). With hot tears trickling down in drops, (Tao Jianhua), in the name of all his family members, pledged to the leaders that he would turn grief into strength and do his own job well for the loving care shown by the party and government.

At the Liangang Worker's Hospital, members of the team visited one ward after another to extend regards to the wounded. On behalf of the State Council and Premier Li Peng, Vice Minister Zhang extended his regards to the injured and also expressed thanks to those medical personnel who had contributed a lot in giving treatment to the sick and wounded. [passage omitted]

Southwest Region

Liu Zhengwei Addresses Anniversary Meeting

HK0307021790 Guiyang Guizhou Provincial Service
in Mandarin 2200 GMT 30 Jun 90

[Text] The Guizhou Provincial CPC Committee held a meeting in its own auditorium to commemorate the 69th anniversary of the founding of the CPC yesterday morning.

The meeting was presided over by Long Zhiyi, deputy secretary of the Guizhou Provincial CPC Committee.

The meeting was attended by a total of more than 1,200 people, including provincial party and government leaders such as Liu Zhengwei, Wang Chaowen, Su Gang, Wu Shi, Zhang Yuhuan, Miao Chunting, Liu Hanzhen, Li Pinggui, Hu Kehui, Wu Shu, and Zhang Shukui; responsible persons of the CPC organizations at all levels in Guizhou; and representatives of advanced CPC members in Guizhou.

Comrade Yang Heheng from the Guiyang Railroad Bureau, Comrade He Dianlun from Hetaoba Village of Meican County, and Comrade Peng Dihui from the Kaiyang Coal Mining Bureau gave reports on their own advanced deeds respectively at the meeting.

Liu Zhengwei, secretary of the Guizhou Provincial CPC Committee, delivered a report entitled "Inherit and Develop the CPC's Fine Traditions, Open Up New Vistas for Party-Building Work" at the meeting.

In his speech, Comrade Liu Zhengwei said that since the Fourth Plenary Session of the 13th CPC Central Committee, Guizhou has practically strengthened its party-building work. As a result, a lot of advanced CPC members have emerged on various fronts of Guizhou. These advanced CPC members have displayed their fine quality, inherited and developed the CPC's fine traditions and style, and made important contributions to the development of Guizhou and China. They have also set fine examples for all the CPC members and the people of all nationalities in Guizhou.

Comrade Liu Zhengwei pointed out that at present, energies must be mainly directed to strengthening the building of the CPC leading organs at all levels and the building of the CPC organizations at the grass-roots level. To this end, it is first and foremost necessary to make an appraisal of cadres with a view to setting up competent and reliable leading organs and ensuring that leadership power is controlled by those loyal to Marxism. Second, it is necessary to strengthen the political building of the CPC leading organs at all levels, step up training of leading cadres, establish and perfect an inner-party democratic system, conscientiously implement to the letter all the instructions issued by the CPC Central Committee regarding the establishment of an inner-party democratic system, and practically strengthen unity within the CPC leading organs at all

levels. Third, the CPC organizations in the rural areas and in the enterprises must make continued efforts to strengthen their own organization building and implement a work-related responsibility system in this regard. Fourth, it is necessary to make redoubled efforts to comprehensively strengthen the organizational building of the CPC organizations in various neighborhoods, government organs, schools, and institutions of higher learning.

Sichuan Hopes Census Controls Swelling Population

OW0207110990 Beijing XINHUA in English
0813 GMT 2 Jul 90

[Text] Chengdu, July 2 (XINHUA)—Sichuan, China's most populous province, began its head count on Sunday along with the rest of the country in hopes of controlling its swelling population.

The southwestern province with a population of 110 million people, one-tenth of the country's total, faces a daunting birth control task.

Early on the morning of July 1, 480,000 investigators began to set up street stalls and visit homes kicking off the fourth population census, the largest since 1949.

A large-scale educational campaign conducted by the provincial government with the support of all news media, and even including theatrical performances, appears to have been effective. Zhang Jingxiu, a peasant from Shuangliu County who has most of his life raising his three children, agreed that the census is necessary for the population control program. "We have too many people," he said.

Sichuan Governor Zhang Haoruo, pointing out the importance of population control, said limited resources and a growing population are serious problems.

Sichuan has been cited and supported by the United Nations and the World Health Organization for its great achievements in population control. Sichuan's birth rate and natural population growth rate have been held to under two percent and 1.2 percent, respectively, below the national average.

Sichuan CPC Secretary Addresses Forum

HK0207074590 Chengdu Sichuan Provincial Service
in Mandarin 0915 GMT 29 Jun 90

[Excerpts] The Sichuan Provincial CPC Committee held a forum in Chengdu this morning to commemorate the 69th anniversary of the founding of the CPC.

Yang Rudai, secretary of the Sichuan Provincial CPC Committee, delivered a speech entitled "Strengthen Existing Links between CPC and People and Strive To Accomplish the CPC's General Task in the New Historical Period" at the forum.

The forum was presided over by Qin Yuqin, member of the Standing Committee of the Sichuan Provincial CPC

Committee and concurrently director of the Organization Department of the Sichuan Provincial CPC Committee, and attended by a number of leaders of the Sichuan Provincial CPC Committee as well as representatives of some advanced grass-roots CPC organizations in Sichuan.

In his speech, Comrade Yang Rudai called on the CPC organizations at all levels and all the CPC members in Sichuan to take action to adhere to the CPC's mass line and unit and lead the broad masses of the people to push ahead with the building of socialist modernization in Sichuan.

Comrade Yang Rudai also extended warm regards to all the CPC members working on various fronts in Sichuan.

Comrade Yang Rudai said that over the past 69 years, the CPC has weathered a lot of twists and turns and has finally become a powerful political party in the world. The success of the CPC lies in the fact that the CPC represents the interests of the people and the masses and conforms with the historical trend. Practice over the past many years has proven that only by relying on the broad masses of the people will it be possible for the CPC to win one victory after another. Now the CPC is in a new historical period. All the comrades must exert their utmost to push ahead with the campaign aimed at improving economic environment, rectifying economic order, and deepening reform with a view to having China's total industrial and agricultural output value quadrupled by the end of this century. To this end, the CPC organizations and each and every CPC member in Sichuan must fully understand the importance of relying on the broad masses of the people, conscientiously study and implement to the letter the "Decision of the Sixth Plenary Session of the 13th CPC Central Committee," practically strengthen the existing links and forge closer ties between the CPC and the broad masses of the people, adhere to the CPC's mass line, adhere to the principle of "From the Masses, To the Masses," wholeheartedly serve the people, and rely on the people.

Comrade Yang Rudai also called on all the CPC members in Sichuan to further develop the CPC's glorious traditions and strive to promote the CPC building at all levels under the leadership of the CPC Central Committee headed by Comrade Jiang Zemin and lead the broad masses of the people in Sichuan to carry out the building of four modernizations in China. [passage omitted]

Gu Jinchu, executive deputy secretary of the Sichuan Provincial CPC Committee, also delivered a speech on how to further implement to the letter the "Decision of the Sixth Plenary Session of the 13th CPC Central Committee" at the forum.

Xu Mengxia, chairman of the Sichuan Provincial CPC Advisory Committee, and others also attended the forum. [passage omitted]

Tibetan Leaders Brief State Council Group

OW0307020290 Lhasa Tibet Television Network
in Mandarin 1200 GMT 26 June 90

[From the "Tibet News" Program]

[Text] [Video shows a large conference room with many people seated, and Hu Jintao, other local leaders making reports] On the morning of 26 June, the State Council survey group with An Chengxin, deputy secretary general of the State Council, as leader, and Zhang Shengzuo, deputy director of the Propaganda Department of the CPC Central Committee, as deputy leader, listened to work reports of the autonomous regional party committee and government.

Regional party and government leaders Hu Jintao, Tian Congming, Gyaincain Norbu, Ma Lisheng, Puquang, Gyamco, Gying Puncog Cedain, Tudao Doje, Gong Daxi and (Yang Fengxing), and responsible comrades from relevant departments attended the report meeting.

The meeting began with Hu Jintao, secretary of the regional party committee, expressing his welcome and sincere thanks to the State Council survey group for coming to inspect and supervise work in Tibet.

Ma Lisheng, vice chairman of the regional people's government, delivered the work report on behalf of the party committee and government. He said: In the past two years, the regional party committee and People's Government have done their work in Tibet in accordance to the important directives of the central authorities, and have upheld the one center and two basic points by focusing their attention on the two main issues of fighting against splittism to stabilize the situation, and economic development. This enables stability to gradually return to Tibet, and progress being made in many undertakings.

In his report, Vice Chairman Ma Lisheng stressed: Since 27 September 1987, secessionists at home and abroad have initiated disturbances in Lhasa on several occasions, with the aim of gaining independence for Tibet, and have severely upset the peace and unity in Tibet's political situation, as well as its normal economic and social order. In March last year, the party Central Committee and State Council took firm and decisive measures by imposing martial law in some areas of Lhasa City. As a result, the disturbances were quickly put down. On 1 May this year, martial law was lifted in Lhasa at the order of the State Council. The situation in Lhasa is generally stable, and social order is quite normal. Currently, the situation in Tibet is moving towards further stability.

In his report on Tibet's economy, Vice Chairman Ma Lisheng said: One important instruction concerning Tibet's development issued by the central authorities was to expand the social productive forces and concentrate on economic development. Despite great difficulties during the struggle against splittism—in particular

during last year's disturbance in Lhasa and the turmoil and counterrevolutionary in Beijing—we managed to achieve reasonable results in all sectors, except the tourism industry. That is because party committees and governments at all levels led the various nationalities in Tibet in firmly grasping the two principal tasks of stabilizing the situation and developing the economy.

At the meeting, the State Council survey group also heard reports on tentative plans for Tibet during the next 10 years, and the problems needing solutions. During its stay in Tibet, the State Council survey group will also listen to reports by the regional agricultural, planning, and education and science commissions, as well as the industrial and power, communications, and other departments.

New Tibetan Magazine Begins Publication

OW2906184690 Beijing XINHUA in English
1435 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—“CHINA'S TIBET,” China's first comprehensive quarterly review of contemporary Tibet, is now available in more than 80 countries and regions.

The magazine, printed in English and Chinese, which began publication earlier this year, is mainly targeted at overseas Tibetans and people of other Chinese nationalities.

At a symposium sponsored by “CHINA'S TIBET” today, Vice Chairman of the Standing Committee of the National People's Congress Ngapoi Ngawang Jigme remarked that the publication provides a “window” for people of every country in the world to learn about Tibet.

The vice chairman, China's highest ranking Tibetan leader, said: “The magazine can be compared with building a highway down the Himalayas, or a bridge across the Yarlung Zangbo River as it links Tibet with the outside world.”

The vice chairman said he has visited many countries in recent years and found people there are all very interested in Tibet and eager to learn about it.

He said he hopes the magazine will soon be published in Tibetan.

First Day of Census in Yunnan Province

OW0307050390 Beijing XINHUA in English
1036 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—More than 600,000 households in Yunnan Province registered for the census yesterday morning, and in the afternoon, more than 120,000 of the province's census takers passed the qualifying exam that will enable them to begin work today.

Yunnan Province with 24 minority nationalities is the most ethnically diverse province in China. Yunnan's 12

million minorities account for one-third of its population. Because the minority nationalities are concentrated in remote areas and mountainous areas where travel is difficult, the census takers went to their posts early.

More than 5,000 people of the Derung nationality live in Dulongjiang Village a three-day walk from the county seat. The county government sent 36 officials to the village on June 18 to conduct preliminary work. The census began right on schedule yesterday, the first day for the fourth national census.

Minority nationalities in Yunnan Province are widely scattered, and some villages have only a few households. Long walks are sometimes necessary merely to register one or two households.

To overcome language barriers, the province seconded more than 10,000 minority officials, teachers and educated young people to be census takers. In one Jinghong County village inhabited by the Jino nationality, 80 percent of the 50 census takers are Jino people.

Census takers have been trained to do detective work. Eight nationalities, including Va and Jino were primitive societies as late as the 1950s. Many of their old people do not remember their ages, but they do remember events, such as floods and forest fires, which were around the time of their births. Census takers will rely on the memories of other old people to check the dates of these events.

Thousands of Yi people living in the Ninglang Yi Autonomous County practise “mobile marriage,” meaning that couples are not permanently united. Marital status is reported spontaneously by every household. Census takers went to the Yi villages in advance to clarify the situation.

Five or six census takers have already been killed in traffic accidents on Yunnan's many high mountains and steep slopes in the current rainy season.

North Region

Demonstrations Force Dismissal of Hebei Governor

OW0207040190 Taipei CNA in English 0302 GMT
2 Jul 90

[Text] Tokyo, July 2 (CNA)—Governor of Hebei [Hebei] Province Yueh Chi-feng [Yue Qifeng], had been dismissed because of recent anti-“government” demonstrations in two local universities. He was replaced by Acting Governor Cheng Wei-kao [Cheng Weigao].

According to the ASAHI SHIMBUN's dispatch from Peking Monday, the “HOPEI DAILY” (HOPEI JIH PAO) reported in its June 28 issue that Yueh chi-feng had been dismissed in accordance with a decision by the “party Central Committee.”

ASAHI quoted sources in Peking as saying that Yueh was held responsible for the occurrence of two anti-"government" demonstrations before the first anniversary of the Tienanmen Square incident—one at "Hopei Teachers University" in Shihchiachuang City, the other at "Hopei Agriculture University" in Paoting City.

Xing Chongzhi on Cadres' Powers, Duties

SK2906005190 Shijiazhuang HEBEI RIBAO
in Chinese 2 Jun 90 pp 1, 2

[Text] On 1 June, at the first plenary session of the fifth Shijiazhuang City CPC Committee, Xing Chongzhi, secretary of the Hebei Provincial Party Committee, made a speech on the powers and duties of party members and leading cadres. The following are excerpts of his speech.

We are all leading cadres of the party and shoulder certain powers and duties. Whether or not we can correctly understand and approach the relations between power and duty is a major question which has a bearing on the rise or decline, the success or failure, of the party's cause. Under the circumstances of ruling the country and carrying out reform and opening up, all party members, senior and middle-ranking cadres in particular, are required to conscientiously think over this question. In the current situation of pressures from abroad and domestic difficulties, correctly understanding and approaching this question has become even more important and essential.

As everyone knows, our powers were not secured until the party seized rule over the country. The position as ruling party has been paid for in blood and with the arduous struggle of the people of all nationalities, under party leadership, over the past 28 years. The reason why the people are so willing to follow the party and do not hesitate to go through fire and water for it is that they have experienced from protracted practice that the party has truly worked for the interests of the people, and that only by following the party's policy and line can they liberate themselves from an abyss of misery and embark on the road of happiness and common prosperity. Therefore, the party's seizure of ruling power also means that the party shoulders an even heavier historical responsibility. Comrade Mao Zedong stressed till his old age: "Who gives us our power? It is given by the working class and the vast laboring masses who account for more than 90 percent of the population." That the people entrusted power to us means that we must shoulder the duties of working for the interests of the people. We should and must apply the powers entrusted to us by the people to wholeheartedly work for the interests of the people. This is our duty, and it is decided by the nature, guiding principle, and purpose of the party.

Viewing the situation as a whole, our ruling authority has been obtained from and entrusted by the people. Specifically speaking, the powers wielded by each and every party member who holds a certain leading post are entrusted by the people. This demands that each and

every responsible party-member cadre must firmly embrace the idea of wielding power for the people and being responsible for the people, and the idea that responsibility to the people is in keeping with the responsibility to the party's leading organs. If there is some one-sidedness on this issue, it is that some cadres, some leading cadres in particular, have only been responsive to leading organs at higher levels but not to the people; in other words, they have placed more emphasis on responsibility to leading organs at higher levels but less on responsibility to the people. Some cadres have forgotten that their powers are entrusted by the people and have erroneously maintained that their powers are entrusted by leading authorities at a higher level or by a certain leader. These cadres only care about their examination, evaluation, appointment, and transfer by leading authorities and fail to recognize how their powers are entrusted by the people. Such ideas are wrong. In fact, there exists a complete set of systems and procedures, although our cadre system and relevant democratic systems need to be improved and perfected. The appointment of a cadre should go through democratic recommendation, organizational examination, collective study, and democratic election; but is not judged by a small number of people or just one person. In particular, the most important aspect and standard of organizational recommendation and examination is to judge whether cadres have the ability and political integrity to serve the people. This directly or indirectly embodies the will of the people. So, we should persist in the unified viewpoint of holding ourselves responsible to both higher and lower levels.

Power and responsibility are interdependent and inseparable. Power is a necessary condition and means to discharge responsibility, while responsibility is a specific indicator for applying power. Different kinds of power are needed to fulfill different kinds of responsibility. Power of different levels is needed to fulfill responsibility of different levels. Unified responsibility is the basic principle for scientifically exercising leadership. So, we must constantly persist in the integration of power and responsibility.

How have our leading cadres used power and fulfilled responsibility? Of the province's total party and government cadres, 73.9 percent are Communist Party members; of the province's total party and government cadres at or above the county level, 94.9 percent are Communist Party members. The majority of them remember the party's goal, accurately apply and exercise the power entrusted to them by the people, always put the interests of the people first, and conscientiously assume the leading responsibilities for building the two civilizations. With relatively strong party spirit, higher political awareness, and comparatively strict organizational discipline, they work hard to influence and mobilize party members and the people around them and enjoy their trust and support. However, we cannot but see that leading cadres of some localities, departments, and units still lag behind, and a small number of comrades fail to accurately apply their power or do their duty. Some even

seriously divorce themselves from the people. They have damaged the work of the party as well as its image and prestige. In our province, there are problems in the following four spheres.

1. Excessively strong desire for power. Before gaining power, some cadres try to secure personal gains from all quarters. They try to "clear channels" and "cultivate personal relationships" with higher levels. Ignoring principles, they buy popular support and solicit votes from lower levels. Some even brazenly ask for official positions or gain official posts through bribery. After securing power, they try every possible means to "keep their official positions" and widen their "insurance coefficient." Facing problems, they first map out plans for themselves and figure out whether their official posts are affected. They seek only to gain power but not to fulfill their duties. They concentrate most of their efforts on keeping a small group of cronies. Once they lose power, they establish contacts on all fronts, lodge complaints with their superiors against someone, or even frame others. They "ask for positions" when they do not have power, "keep their positions" when they obtain power, and "make complaints" when they lose their power. The existence of such people and such phenomena seriously damage the party's cause and prestige. At present, what merits our attention is that some people adopt the wrong attitude toward those who ask for official positions and power. They "give" official positions and power to those who ask, "give permission" to those who keep their official positions, and "appease" whoever complains.

2. Improperly use power. There are two major indicators. First, improperly using personnel; second, improperly or wrongly making policy decisions. Some people do not select and appoint cadres completely in line with the principle of having both ability and political integrity and the cadres' "four requirements." They often give more consideration to ability at the expense of political integrity, appoint people by favoritism, or advocate cronyism. In making policy decisions, they adopt subjective points of view or follow their own inclinations. They "bend with the wind" instead of going to the grass roots to conscientiously conduct investigations and study, proceeding from reality, or handling affairs according to law. As a result, their policy decisions are often divorced from the masses.

3. Abuse of power for selfish ends. If we say that someone improperly uses his power, we mean that he will possibly not make best use of his power or fulfill his duty. In that way, abusing one's power for selfish ends is a completely different problem. If "power" is connected with "privacy," a series of evil consequences will emerge. For instance, exchanging money and materials for power, practicing corruption, accepting bribes, and perverting justice for a bribe will occur. All this has been proven by many shocking facts.

4. Those with power do not fulfill duties. Without a sense of revolutionary responsibility or vitality, they are politically lazy. Practicing bureaucracy and neglecting duties are typical indicators. They also can create similarly serious consequences. So, we must never regard this problem as unimportant.

How can leading cadres at various levels use their powers or fulfill their duties well now and in the foreseeable future?

First, as public servants, they should ceaselessly strengthen their awareness of party building and wholeheartedly serving the interests of the people. The party spirit and the party's goals determine that party cadres are public servants of the people but not "officials" who are superior to the people. This is a fundamental indicator for distinguishing between the proletariat's political party cadres and all exploiting classes' bureaucratic politicians. Comrade Mao Zedong clearly pointed out early in the 1940's that our communist party members do not want official positions but want revolution. Today after our party has been in power for 40 years, great changes have taken place in the situation at home and abroad as well as in the central work of our party. But no changes have taken place in the party spirit or the party's goal. All party cadres, whatever their rank, are always servants of the people. We must firmly remember and persist in this, but must not muddle or weaken our minds. Party cadres at various levels must regard wholeheartedly serving the people as a point to start with and end their activities, persist in the principle that the interests of the people are high above everything, and be brave to wage struggles against the activities in violation of the people's interests. To achieve this, we should take up the arms of criticism and self-criticism, but must not give up the work of waging necessarily and positively ideological struggles within the party. Affected by the major climate, the people within the party have lessened their ideas and enthusiasm for conducting criticism and self-criticism and waging positively ideological struggles. This is very dangerous. To do a good job in using power and fulfilling duties, we must inherit and carry forward the party's fine traditions, regularly make strict criticism and self-criticism, and regularly wage necessarily ideological struggles. We must study the lofty ideas and workstyles of veteran proletarian revolutionaries, such as Chairman Mao and Premier Zhou, study and practice the spirit of Jiao Yulu, wholeheartedly rely on the working class, keep close contacts with the people, and ceaselessly enhance the public-servant awareness of serving the people. At the time of organizing and leading the people to transform an objective world outlook, we should regularly, initiatively, and consciously transform our own subjective world outlook, and strive to upgrade our ideological and political awareness and professional ability. This is the fundamental guarantee for doing a good job in using powers and fulfilling duties.

Second, they should energetically promote democratic and scientific policymaking. Leading organs and leading

cadres should conscientiously exercise powers and perform duties, and should, what is extremely important, ensure the accuracy of policymaking. Mistakes in policymaking, mistakes in policies concerning major issues in particular, will bring about inestimable losses. Mistakes in leadership policymaking is more serious than any others. The higher the level of leadership is, the graver losses will be sustained, because the losses caused from wrong policymaking will produce an all-around, long-term, and chain reaction. To avoid mistakes, major mistakes in particular, in policymaking, or to discover and correct mistakes in a timely manner, leading cadres at various levels must energetically promote democratic and scientific policymaking, and must be willing to and good at heeding opinions in various fields, dissents in particular. The decision of the sixth plenary session of the 13th party Central Committee pointed out: Democratic and scientific policymaking is the most important issue by which our party maintains close ties with the masses and leads the people to advance in victory, and is an important guarantee for making our policy decisions conform to the interests of the people. For this reason, when formulating policies and measures, drawing up work plans, or deciding on major events, leading cadres at various levels must conscientiously conduct investigations and studies, give full play to the role of democracy, listen to different opinions, repeatedly conduct comparisons and appraisals, do everything in line with reality, and seek truth from facts. After a policy decision is made, leading organs and leading cadres should each assume responsibility for and take the lead in implementing the policy decision, and further develop and maximize the effectiveness of the policy decision through practice. To ensure the accuracy of policy decisions, leading cadres at various levels should frequently go down to the grass-roots areas, and immerse themselves among the masses. They should conscientiously study the interests of the masses, learn about the demands of the masses, listen to the voice of the masses, look into the feeling of the masses, and draw wisdom and nourishment from the masses. Comrade Mao Zedong had even said: "Leading organs are just like a 'processing plant,' where all the 'raw materials,' 'materials,' wisdom and creation, come from the masses and practice. Leading organs, however competent, cannot make good decisions without the wisdom and efforts of the masses, just like the fact that the cleverest housewife cannot cook a meal without rice. Now, we are confronted with many difficulties, such as market sluggishness, fund shortage, and production suspension of a few enterprises. However, experiences of many units tell us that so long as we are good at asking for advice from the masses and from the grass-roots units and so long as we are good at using our brains, solutions will always be more than difficulties, and results will be better than expected."

Third, they should persist in the party's democratic centralism, and consciously subject themselves to the democratic supervision from various fields. Democratic centralism is the basic organizational system of the party, is an expression and reflection of the party's mass

line in organization, and is the guarantee for the party's unity and solidarity in ideology, politics, and organization. Leading organs at various levels as well as leading cadres of the party should make good use of powers, conscientiously perform duties, and persist in the principle of democratic centralism. In light of this principle, party committees at all levels should carry out the system of integrating collective leadership with the division of work with individual responsibility. Those major issues which are related to the party's line, principles, and policies, to the interests of the masses, and to cadre appointments and removals should all undergo collective discussion, and should be handled according to the principle of the minority being subordinate to the majority. The process of exercising collective leadership among leading bodies is, in essence, the process of taking the mass line and pooling the wisdom of the masses.

Practical experience has shown that accurately implementing the principle of democratic centralism can effectively avoid making wrong policy decisions or recklessly using powers, ensure correct leadership, enhance the unity of leading bodies, and upgrade the party organizations' combat effectiveness. Of course, stressing the adherence to democratic centralism does not mean preventing leading members from bringing into play their enthusiasm, initiative, and creativeness. On the contrary, all leading members should have the ability to think, work, and solve problems independently; do their duties at their posts; be good and brave at assuming their responsibilities; bravely and prudently stand at their posts and handle their political affairs; and do their utmost to fulfill their duties. At the same time, we should learn from, support, and trust each other; learn from others' strong points to offset our weaknesses; neither strive for adding accomplishments to ourselves nor put the blame on somebody else; be open and aboveboard; and say things to somebody's face. Only by so doing can leading bodies become strong, unified fighting nuclei. To ensure that the leading collective and each and every leading member are administratively honest and diligent in doing things for the people, we should not only strictly carry out democratic centralism within the party, but also consciously accept democratic supervision from all sides. We should set up and perfect various kinds of democratic supervision systems and pioneer and clear various kinds of channels for democratic supervision. We should carefully listen to various opinions and suggestions, particularly critical opinions; and ensure to "feel happy when told of errors" and "choose and follow what is good." Just as what Chairman Mao said: "Whoever points out our problems is okay... so long as what you have said is correct, we will correct our mistakes. If the methods that you advocate are advantageous to the people, we will follow your methods." We should realistically be sure to persist in truth and correct mistakes.

Fourth, leading cadres should strengthen study and ceaselessly upgrade their understanding about Marxist theory. Over the past years, the educational degree of our cadres ranks has generally been upgraded. However,

viewing the general situation, our cadres still fail to have a full understanding of Marxist theory. This is not suitable to the complicated situation and the extremely heavy tasks ahead of us. To be party members with clear understanding and accomplishments and to do a good job in using powers and fulfilling responsibilities, we have to urgently strengthen the study of the basic Marxist theory and grasp scientific world outlook and methodology. To study Marxist theory, at present, we should first study philosophy. Marxist philosophy is not only proletarian world outlook but also a method to correctly observe and solve problems. Just as Comrade Chen Yun pointed out: "Philosophy is useful in one's life so long as we master it." We should concentratively master Comrade Mao Zedong's philosophic works and the works with philosophic thinking done by veteran proletarian revolutionaries, including Deng Xiaoping. We should set up and perfect a self-study system and consciously try and find time to study Marxist theory. It is necessary to link study with the work of conducting investigations and study and summing up experiences. Through study, we should be good at applying historical materialism and dialectic materialism to observing, analyzing, and solving problems, summing up experiences, and solving various kinds of new problems cropping up in the course of reform and construction. We should wipe out idealism; overcome subjectivism, metaphysics, and one-sidedness; have a strong sense of principle and science, farsightedness, and creativeness in doing our work; strengthen the leadership level and art of leadership; and strive to better grasp and use powers for the people and fulfill our duties.

Northwest Region

Gansu's Secretary Li Ziqi Addresses Forum

HK0207112590 Lanzhou Gansu Provincial Service
in Mandarin 2300 GMT 30 Jun 90

[Text] The Gansu Provincial CPC Committee held a forum in Lanzhou's Linmozhuang Auditorium yesterday morning to celebrate the 69th anniversary of the founding of the CPC.

The forum was attended by a number of provincial party and government leaders, including Li Ziqi, Huang Luobin, Xu Feiqing, Ge Shiyang, Gong Yousheng, Yan Haiwang, and others, and by some retired veteran leaders of Gansu Province, some well-known public figures in Gansu, and a number of model workers and advanced CPC members in Gansu.

The forum was presided over by Yan Haiwang, deputy secretary of the Gansu Provincial CPC Committee.

Lu Zhicai, a national-level model worker from Lanzhou Machinery Plant, Chen Xu, a retired veteran cadre, Qin Dahe, the first Chinese scientist to visit the Antarctic, and some other advanced people spoke one after another at the forum.

Li Ziqi, secretary of the Gansu Provincial CPC Committee, delivered a speech at the forum.

In his speech, Comrade Li Ziqi said that China has witnessed fundamental changes over the past 69 years. The CPC has also witnessed rapid growth over the past 69 years. Now the CPC has become a nucleus force boasting a membership of 45 million in a large socialist country with a population of over 1.1 billion, this being a historical choice made by the Chinese people and a fair conclusion made by history.

Comrade Li Ziqi also put forward the following five-point proposal on further strengthening the CPC building in Gansu: 1. To keep closely in line with the CPC Central Committee; 2. To carry out in-depth education on Marxism within the CPC; 3. To give full scope to the leading role of the CPC organizations at all levels and to the vanguard and exemplary role of all the CPC members in Gansu; 4. To maintain and strengthen the flesh-and-blood relationship between the CPC and the broad masses of the people; 5. To steadfastly improve party style and promote the building of a clean government in Gansu.

Comrade Li Ziqi expressed the hope that the CPC organizations at all levels and each and every CPC member in Gansu will always bear in mind their own historical mission and their sacred task, strive to develop the CPC's fine traditions, and constantly improve the CPC style with a view to enabling the CPC organizations at all levels and all the CPC members in Gansu to become a nucleus capable of leading the people of all nationalities in Gansu to carry out the struggle aimed at shaking off poverty, achieving prosperity, and promoting socialist construction in Gansu.

Gansu Province Developing Telecommunications

OW0207063290 Beijing XINHUA in English
0530 GMT 2 Jul 90

[Text] Lanzhou, July 2 (XINHUA)—Gansu Province in northwest China has invested a total of 140 million yuan (about 29.8 million U.S. dollars) in six telecommunications projects in order to modernize its communications facilities and improve its investment climate.

The projects, scheduled for completion by the end of 1992, include two optical fiber communications projects, the Lanzhou satellite ground station, extension of a micro-wave communication line, and installation of a 19,000-line program-controlled telephone exchange system.

Arid-Land Agricultural Development in Qinghai

HK0307022990 Xining Qinghai Provincial Service
in Mandarin 2230 GMT 30 Jun 90

[Excerpt] At the recently convened Qinghai Provincial Conference on Arid-land Agricultural Production, Jin Jipeng, governor of Qinghai Province, called for further unifying ideology, heightening understanding, and

taking effective and forceful measures to push ahead with arid-land agricultural development with a view to promoting Qinghai's overall agricultural development, especially grain production development.

Governor Jin Jipeng said that the Qinghai Provincial CPC Committee and the Qinghai Provincial People's Government have formulated a principle aimed at carrying out in-depth development of Qinghai's existing arable land, improving the quality of existing arable land, strengthening agricultural productive forces, carrying out comprehensive agricultural development, bringing about a sustained and steady growth of agricultural production, and increasing grain production.

Governor Jin Jipeng said that various areas of Qinghai should also formulate their own agricultural development strategies in light of their own social and economic conditions and actively develop diversified economy while making continued efforts to increase their grain production output. [passage omitted]

Shaanxi Peoples' Congress Meeting Ends

HK0207112190 Xian Shaanxi Provincial Service in Mandarin 2330 GMT 29 Jun 90

[Excerpts] The 15th meeting of the seventh provincial People's Congress Standing Committee ended in Xian on 29 June.

The meeting passed a resolution on tightening public security and maintaining social order, a decision on establishing the Nationalities, Religious, Overseas Chinese and Foreign Affairs Committee under the provincial People's Congress Standing Committee, and some appointments and removals; and preliminarily examined three draft rules and regulations.

The meeting appointed (Zeng Kehua) chairman of the Nationalities, Religious, Overseas Chinese and Foreign Affairs Committee of the seventh provincial People's Congress Standing Committee; and (Mao Wenqiang) its vice chairman.

The meeting agreed with the request made by (Mao Zengxuan) of quitting the post of chairman of the credentials committee of the seventh provincial People's Congress Standing Committee, and appointed (Wei Ningkai) chairman of the credentials committee of the seventh provincial People's Congress Standing Committee. The meeting also appointed (Li Tianguai) vice chairman of the personnel working committee for deputies to the seventh provincial People's Congress Standing Committee.

Provincial party committee Secretary Zhang Boxing and Governor Bai Qingcai attended the meeting as observers and delivered a speech respectively. [passage omitted]

The following is excerpts of the resolution on tightening public security and maintaining social order adopted by the provincial People's Congress Standing Committee.

The resolution points out: Judicial organizations at different levels should earnestly implement the decision adopted by the National People's Congress Standing Committee on severely punishing criminals seriously endangering public security, severely trying and sentencing them according to the law and sternly cracking down on such criminal activities of seriously endangering the safety of society and the people as murder, explosions, robbery, larceny, drug trafficking, hooliganism, kidnapping people for sale and [words indistinct], resolutely changing the situation in which punishment is replaced by paying a fine and major offenses are dealt with as if they are minor ones so that the safety of the people will be effectively guaranteed.

The resolution called on judicial organizations at different levels to take effective measures to strengthen the building of their ranks and steadily raise their political quality and professional proficiency so that they will be able to maintain a clean and honest government, seen truth from facts and handle all matters impartially.

The resolution urges governments at different levels to adopt strong measures to arouse the masses of the people to report all sorts of criminal offenses, resolutely punish with strictness those who retaliate people reporting criminal offenses, support and commend collectives and individuals doing boldly what is righteous and daring to fight against criminals, and protect the enthusiasm of people in fighting crimes.

Zhang Boxing Views 'Double Support' Work

HK0207034190 Xian Shaanxi Provincial Service in Mandarin 2330 GMT 28 Jun 90

[Text] After listening to a report on Shaanxi's work of "supporting the army and giving preferential treatment to the families of revolutionary armymen and martyrs" and "supporting government and cherishing people" ["Double Support"] at a meeting held yesterday, provincial party and government leaders emphatically pointed out that all areas in Shaanxi must practically help the People's Liberation Army [PLA] units stationed in solving problems and tide over difficulties as the "Double Support" work has an important bearing on the work of maintaining overall stability in Shaanxi.

Zhang Boxing, secretary of the Shaanxi Provincial CPC Committee, and Xu Shanlin, governor of Shaanxi Province, delivered speeches respectively at yesterday's meeting.

Both Comrade Zhang Boxing and Comrade Xu Shanlin pointed out that the PLA units have made important contributions to the building of four modernizations and the maintenance of overall stability in Shaanxi over the past many years. The relations between the local people's governments in Shaanxi and the PLA units have remained fine. Nonetheless, problems have also been discovered. For instance, problems such as disputes over land ownership and use, levying unreasonable and indiscriminate charges and apportionments on the PLA

troops stationed in Shaanxi, stealing military equipment, employment of army men's children, and so on have existed for many years. In view of this situation, the CPC committees and people's governments at all levels must practically strengthen leadership and take action to resolve these problems. The party and government organs at all levels and all the departments concerned must closely cooperate and coordinate with one another in this regard with a view to promoting the PLA building.

Comrade Zhang Boxing stressed that with the impending arrival of "1 August Army Day," all the comrades concerned must seize the good opportunity to set off a new upsurge of "Double Support," further strengthen unity between the PLA troops and the local people's governments and between the troops and the local people, and make greater contributions to maintaining and promoting overall stability in Shaanxi.

Zhang Boxing Praises Public Security Forces

*HK2906124390 Xian Shaanxi Provincial Service
in Mandarin 2300 GMT 27 Jun 90*

[Text] Yesterday afternoon, when provincial party secretary Zhang Boxing was inspecting the work of dealing severe blows at criminal activities in Xian's public security bureau, he warmly praised the achievements made by the broad masses of public security cadres and policemen in Xian City in their struggle against severe crimes. He also praised their self-sacrificing spirit for the people. He said: Crimes in the urban area are very serious, and public security departments at all levels must grasp the focal points to deal with the situation. They must deal severe blows at those criminal elements who commit countless crimes and have done great damage to the people, and especially those culprits who have incurred the greatest popular indignation.

He added: In the meantime, they must mobilize the masses to expose and inform against crimes to build up a momentum of the struggle against crimes. Efforts must promptly be made to crack down upon major and important cases, so that those criminal elements will have no place to hide.

Shaanxi Governor Views Ideological Work

*HK0207053190 Xian Shaanxi Provincial Service
in Mandarin 2330 GMT 28 Jun 90*

[Text] The Shaanxi Provincial Research Society for Ideological and Political Work of Industrial and Communications Workers was officially founded yesterday.

Bai Qingcai, deputy secretary of the Shaanxi Provincial CPC Committee and concurrently governor, attended and delivered a speech at the inaugural ceremony of the Research Society yesterday.

In his speech, he said that strengthening ideological and political work among enterprise workers will definitely

promote Shaanxi's campaign aimed at improving economic environment, rectifying economic order, and deepening reform and help maintain and boost economic and social stability.

Comrade Bai Qingcai demanded that greater energies must be directed to guiding the broad masses of enterprise staff and workers to correctly view the current economic difficulties so as to enable them to work harder and successfully fulfill production quotas.

Sun Kehua, vice chairman of the Standing Committee of the Shaanxi Provincial People's Congress, was elected advisor to the Shaanxi Provincial Research Society for Ideological and Political Work of Industrial and Communications Workers yesterday.

Comrade Sun Kehua delivered a speech at the inaugural ceremony, demanding that the Research Society closely adhere to a correct political orientation and the principle of integrating theory with practice.

Shaanxi Secretary, Governor Meet With Scientists

*HK0207105990 Xian Shaanxi Provincial Service
in Mandarin 2330 GMT 30 Jun 90*

[Text] Zhang Boxing, secretary of the Shaanxi Provincial CPC Committee, and Bai Qingcai, governor of Shaanxi Province, met with a report delegation formed by Shaanxi-based scientists at a forum held in Xian yesterday.

Since last winter, the Shaanxi Provincial Scientists' Association, the Organization Department of the Shaanxi Provincial CPC Committee, and the Shaanxi Provincial Economic Affairs Commission have jointly organized two report delegations formed by advanced scientists and model workers to give reports on their advanced deeds to the people of Shaanxi.

Between April and May of this year, the two report delegations gave a total of 20 reports on their advanced deeds to people in some 10 cities and prefectures and five counties of Shaanxi Province. So far, more than 10,000 people have listened to their reports.

Comrade Zhang Boxing and Comrade Bai Qingcai delivered speeches respectively at yesterday's forum.

The two provincial leaders held that all the 10 advanced scientists of the report delegation had made important contributions to both Shaanxi's development and China's development. All the people in Shaanxi should learn from their lofty spirit of hard work and selfless devotion.

The two provincial leaders also expressed the hope that all the 10 advanced scientists of the report delegation will work harder and make greater contributions to Shaanxi's development in the future.

Comrade Zhang Boxing added that he is willing to make friends with scientific and technological personnel and will strive to improve intellectuals' working conditions.

Symposium on Mainland-Taiwan Business Opens*OW0207121690 Beijing XINHUA in English
0709 GMT 2 Jul 90*

[Text] Beijing, July 2 (XINHUA)—The first large gathering of business people from China's mainland and Taiwan in over four decades began a symposium on trade and investment here today.

Vice-Premier Wu Xueqian, in an address at the opening ceremony, described the symposium as an event of far-reaching importance, saying that it brings compatriots from both sides of the Taiwan strait together to discuss cooperation and open up a future.

Wu extended an invitation to Taiwan compatriots to make visits, fact-finding tours and investment on the mainland, noting that either side has advantages which can greatly benefit the another.

Although contacts which had been cut off for several decades have increased in the past few years, Wu said, many artificial obstacles still exist to restoring direct and two-way links in posts, shipping and trade.

Wu reiterated the mainland's stance on "one country, two systems" and peaceful reunification through negotiation and urged the promotion of various channels of communication as well as trade, business, scientific and cultural exchanges.

The three-day symposium is being sponsored by the mainland's economic and trade coordination committee for the two sides of the straits and the Chinese commercial and industrial coordination society of Taiwan.

Zheng Tuobin, minister of foreign economic relations and trade, Zheng Hongye, coordination committee chairman, and Chang Pen-tsao, chairman of the Taiwanese Coordination Society, also gave addresses at today's ceremony.

According to Zheng Tuobin, indirect trade between the two sides from 1979 to 1989 totalled 11.7 billion U.S. dollars, with an average annual growth of 46.4 percent. The figure hit 3.48 billion U.S. dollars last year, a 28 percent increase over the previous year.

The 650 Taiwanese business people attending the symposium will be briefed about the mainland's investment climate and various laws, regulations and policies concerning trade and investment.

The Taiwanese business people are also expected to hold talks with delegates of 23 provinces and municipalities and some mainland industrial firms on 1,400 proposed investment projects, before setting out on fact-finding tours of several parts of the mainland.

Jiang Zemin, Li Peng Attend*OW0207142090 Beijing XINHUA in English
1357 GMT 2 Jul 90*

[Text] Beijing, July 2 (XINHUA)—Chinese Communist Party Leader Jiang Zemin, Premier Li Peng and Vice-Premier Wu Xueqian met with delegates to the symposium on trade and investment between Taiwan and the mainland today at the Great Hall of the People.

After a photo-taking session, Li and Wu held talks with Chang Pen-tsao, chairman of the Chinese Commercial and Industrial Coordination Society, and other Taiwan guests.

Li extended his welcome to the Taiwan business people to the symposium, which is the first large gathering here involving so many people from both sides.

He said that the economies on both sides of the Taiwan Straits can supplement one another, and investment in and trade with the mainland by Taiwan people will benefit both sides.

The premier briefed his guests on economic progress on the mainland in the past four decades, saying that the mainland has managed to feed its population properly and has established a fairly complete set of industries.

Despite the improvement in exchanges between the two sides, Li noted, various restrictions are still imposed by the Taiwan authorities. He urged the Taiwan authorities to take bigger steps to relax their policies. Chang Pen-tsao said that it is inevitable for the two sides to increase their exchanges and contacts, pledging more efforts to this end on the part of the Taiwan business community.

Li Peng Welcomes Taiwan Investment*OW0307011190 Beijing XINHUA Domestic Service
in Chinese 1117 GMT 2 Jul 90*

[By reporter Zhang Yi (1728 3015)]

[Text] Beijing, 2 Jul (XINHUA)—At the Great Hall of the People this afternoon, Jiang Zemin, general secretary of the CPC Central Committee, Li Peng, premier, and Wu Xueqian, vice premier of the State Council, met with all the representatives attending a seminar on trade and investment between the two sides of the strait. They also had a photograph taken with the representatives to mark the occasion. Afterwards, Li Peng and Wu Xueqian had conversations with the guests from Taiwan, including Zhang Pingzhao [Chang Ping- chao], chairman of Taiwan's commercial coordination committee for the two sides of the strait.

Li Peng said: This is the first time such a large-scale and grand seminar has been held. This is gratifying. On behalf of the State Council, I extend warm welcome to all Taiwan industrial and business executives attending this seminar.

Li Peng continued: The economies of the two sides have a certain complementary nature. It is to the advantage of both sides for Taiwan's entrepreneurs to come to the mainland to invest, establish factories, and develop trade. There will be ample time to do this, and the first contacts might not result in many projects being agreed upon. The crux is to enhance understanding step by step.

Li Peng briefed the guests on the mainland's achievements in economic construction over the past 40 years. He said: If you observe carefully, it will not be hard for you to see the great progress made in the mainland's economy. In the first place, we have basically solved the people's food and clothing problems. Second, we have established a rather comprehensive industrial system. For Taiwan compatriots to invest on the mainland, we have the responsibility to give them proper investment guidance. That is, we will tell you what is required by us and what is not in accordance with China's industrial policies.

In conclusion, Li Peng said: A favorable trend has appeared in the exchange between the two sides. Yet there are still restrictions of one kind or another imposed by the Taiwan authorities. We hope that the Taiwan authorities will make greater strides and adopt a more flexible policy.

Zhang Pingzhao said that exchanges between the two sides are a general trend, and increasing contacts are of great importance; he added that Taiwan's industrial and business circles should do more work toward this end.

Wu Xueqian Notes Obstacles

OW0307021290 Beijing Domestic Service in Mandarin
0930 GMT 2 Jul 90

[By station reporter (Li Dehua); from the "National Hookup" program]

[Text] A grand seminar on trade and investment between the two sides of the strait opened in Beijing today. Wu Xueqian, vice premier of the State Council, attended the opening ceremony. On behalf of the State Council, he extended warm greetings on the opening of the seminar and gave a hearty welcome to the more than 600 industrial and business executives who had come a long way from Taiwan.

The large-scale seminar, which is drawing attention at home and from abroad, is co-sponsored by the mainland's economic and trade coordination committee for the two sides of the strait and Taiwan's commercial coordination committee for the two sides of the strait. Some 600 people from industrial and business circles of both sides—the mainland and Taiwan—are attending the seminar.

The past few years have seen a rapid development of economic exchange and trade across the strait. Last year the volume of indirect trade between the two sides amounted to \$3.483 billion. Particularly noteworthy is

the upward trend of investment made in the mainland by Taiwan's industrial and business firms. As of last year, the number of their investment projects reached nearly 1,000, and investment contracts were worth over \$1 billion.

Vice Premier Wu Xueqian said in a greeting message delivered at the seminar's opening ceremony: National conciliation and the reunification of the motherland have become a common understanding of the people on both sides. We stand for talks between the Kuomintang and the CPC on an equal footing to discuss the question of the motherland's reunification on the basis of the principle of one China. Of course, this is still difficult to realize at present, and more time is required. In our opinion, what is easier to accomplish is for the two sides to make positive efforts to develop various channels of exchange; establish as soon as possible two-way, direct links in trade, mail service, and air and shipping services between the two sides; and conduct exchanges in economic, trade, scientific, technological, academic, and cultural fields.

Wu Xueqian said: The past few years have witnessed relatively fast progress in developing exchanges between the two sides, thus changing the state of complete separation which lasted for decades. Yet there is no denying that many man-made obstacles still exist. On the exchange of personnel, irrational restrictions have been set forth and forcibly imposed. Owing to this, the links in trade, mail service, and air and shipping services have so far not been entirely realized. Obviously, this is not conducive to the peaceful reunification of the motherland. We are willing to join efforts with people of insight on Taiwan to eliminate the obstacles and to establish links in the above-mentioned three fields as early as possible.

Speeches were also made at the opening ceremony by Zheng Tuobin, minister of foreign economic relations and trade; Zheng Hongye, chairman of the mainland economic and trade coordination committee for the two sides of the strait; and Zhang Pingzhao [Chang Pingchao], chairman of Taiwan's commercial coordination committee for the two sides of the strait.

At today's session, Gan Ziyu, vice minister of the State Planning Commission, and Shen Jueren, vice minister of foreign economic relations and trade, as well as pertinent responsible persons of the State Administration of Taxation, the State Administration of Exchange Control, the Bank of China, the Ministry of Labor, the State Land Administration Bureau, and the General Customs Administration briefed the industrial and business executives from Taiwan on the mainland's investment environment and the policies and measures to encourage investment by Taiwan compatriots.

At the Great Hall of the People in the afternoon, party and government leaders Jiang Zemin, Li Peng, and Wu Xueqian posed for a photograph with all the representatives attending the seminar on trade and investment

between the two sides of the strait. Afterwards, Premier Li Peng and Vice Premier Wu Xueqian met with Zhang Pingzhao, chairman of Taiwan's commercial coordination committee for the two sides of the strait.

PRC Wants Industrial Investment

OW0307043590 Beijing XINHUA in English
0745 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—China's mainland hopes to attract more investment in agriculture, energy, transportation and raw materials by businessmen from Taiwan and foreign countries, a high-ranking Chinese official said here today.

These investments would help the mainland adjust its industrial structure, said Vice-Minister of the State Planning Commission Gan Ziyu in a symposium on trade and investment between the mainland and Taiwan which opened here today.

Gan said investments in these areas will get preferential treatment and have good development prospects.

Gan released a list of priorities in absorbing investment, including advanced technology, export-oriented industry, products in short supply, and new equipment and materials.

Gan said some investments, including investments in low-grade light and textile products, general machinery and electrical goods, and domestic-oriented durable electronic products, are not encouraged.

He stressed that the mainland prohibited investment in projects which will be harmful to public security, national economic development, the environment, natural resources, and physical and mental health.

'Letter From Beijing' on Reunification

HK2806010190 Hong Kong LIAOWANG OVERSEAS
EDITION in Chinese No. 26, 25 Jun 90 p 1

["Letter From Beijing" by Bao Xin (7637 0207): "The Taiwan Authorities Should Think Thrice Before They Act"]

[Text] My dear friend:

In the letter I wrote on 27 May, I have talked about my view on the speech by Mr. Li Teng-hui made during his inauguration. Not long ago, Jiang Zemin, secretary general of the CPC Central Committee, made an important speech on the Taiwan problem, responding to the mainland policy pursued by the Taiwan authorities. Thereafter, the Taiwan authorities responded to this speech. Now, I want to talk to you about my understanding of these responses.

From my conscience, I think that Jiang Zemin's response, made clear at the opening ceremony of the

National Meeting on United Front Work, to Li Teng-hui's inauguration speech is reasonable as well as beneficial to the country and the people (including people of various walks in Taiwan). Jiang Zemin's speech is not only sincerely supported and appreciated by the great masses of people in the mainland, but is also warmly welcomed by many overseas patriots who want to see the country's reunification. Even among some Hong Kong and Macao media and persons who hold a different political opinion, fair comments on this are more than not lacking. In Taiwan, some major newspapers also think that the speech by General Secretary Jiang Zemin is "moderate in tone and has no accusation," and "in terms of policy it goes from usual and rigid criticism to flexible and positive response," and that the mainland "can make this response in such a short time; it is indeed sincere," and "there are indeed many new ideas."

However, the Taiwan authorities refuse General Secretary Jiang Zemin's proposal on holding talks between the two parties on the problem of reunification of the country, and continues to insist on holding talks in the form of "government versus government."

From my point of view, the CPC's proposal on talks between the two parties on equal footing is put forward according to the practical situations on both sides of the strait, taking into full consideration the situation of the Taiwan authorities. If talks are really conducted in the way the Taiwan authorities have insisted upon, and that is, "government versus government," then, first of all, can a country have two equal governments? And second, these kind of talks will inevitably run into the problem of who is bigger and who is smaller, or who is central and who is local. Setting aside the historical fact recognized by the whole world that the "Nationalist Government" was overthrown by the Chinese people in 1949, and just speaking from the factors such as the actually ruled areas, population, and international status, the PRC Government is the only government recognized by international law as the legitimate government representing China, whereas Taiwan is only a province of China; no matter from which angle, the Taiwan authorities cannot be the "central government," and this is the plain truth even to the primary school students. If talks must be conducted in the form of government versus government, then the Taiwan Government can only be a local government, and how can "talks on equal footing" be carried out? Therefore, the purpose of the CPC in proposing talks between the CPC and the Kuomintang [KMT] on equal footing, and allowing representatives of various parties on both sides across the strait to take part, is precisely a way to avoid a problem which the Taiwan authorities might consider as inconvenient; to speak frankly, it is for giving face to the Taiwan authorities, so as to bring talks to an earlier date. If the Taiwan authorities fancy unifying China with their "central government," then really they have somewhat overestimated their strength.

The next day after General Secretary Jiang Zemin delivered his speech, Mr. Hau Pei-tsun, "head of the Executive Yuan" in Taiwan, stressed when answering a question raised by a "legislator" from the Democratic Progressive Party, that he staunchly objected to "two countries and two governments," and did not agree to "one country, two governments." I think that if he can followup his words with actions, then this statement should be affirmed. However, what is puzzling is that: Mr. Hau declared that he did "not agree to one country, two governments" on the one hand, and on the other hand said that "the Republic of China Government" is a "central government" for "talks on equal footing" with the PRC Government (the essence is still one country, two governments), is it not true that this is self-contradictory? The senior officials of the Taiwan authorities recently contended that they had never mentioned "one country, two governments." If it is true that there has not been any such kind of words and deeds, then it is of course appreciated. The situation, however, is not like that.

The words and deeds of the Taiwan authorities in this aspect can be seen by all, and I am not going to elaborate here, but it is worthwhile to glimpse at some overseas public opinion. I cite a paragraph from a special dispatch carried by New York's SHIJIE RIBAO: "Looking carefully at the recent speeches by Li Teng-hui and Hau Pei-tsun, one can indeed find words or connotations for 'equal governments' or 'one country, two governments'; now, when Jiang Zemin speaks, they withdraw their

words, and we can see that at the very moment they spoke, they did not correctly anticipate future development, while their responses to the current situation reveal that they have neither faith nor courage," and "the result is criticism and more divergence of views." It is therefore not strange to see Shen Chang-huan, member of the Standing Committee of the KMT Central Committee, accusing some persons in Taiwan of not "carefully pondering" and "seriously studying" the speech by Jiang Zemin.

Mr. Li Teng-hui said at the first press conference after he delivered his inauguration speech: "I think the political concept for running the country can only be one phrase—the world is for all." I think that if he really cherishes public interest and has no selfish ideas, and if he does not mind the face or vanity of a single party or individual and really consider the interest of the nation and the country, then, whatever obstruction to the talks on the country's reunification can be overcome. General Secretary Jiang Zemin said: So long as the CPC and the KMT can sit down, and discuss reunification of China truly upon the premise of "one China," whatever problems can be put forward for debate and discussion. Would the Taiwan authorities please consider carefully, think thrice before they act, and hand out the sincerity for enhancing reunification of the country. Sincerely,

[Signed] Bao Xin

[Dated] 18 June 1990

Further Reportage on National Affairs Conference

Constitutional Reform Debated

OW3006212990 Taipei CNA in English 1604 GMT
30 Jun 90

[Text] Taipei, June 30 (CNA)—To amend the Republic of China's Constitution or to write a new one? That was the focus of debate the third day of national affairs conference held here Saturday.

Most Kuomintang [KMT] participants and overseas scholars proposed amending the Constitution, including 85 "temporary provisions," to achieve constitutional reform.

But the opposition Democratic Progressive Party participants and independents argued that writing a new one would better meet the country's needs.

The proponents of constitutional amendment said amending would be less costing to the country than writing a new constitution or basic law or grand charter.

Ma Ying-jeou, Cheng Hsin-hsiung and Chang King-yu of the KMT all proposed "minor amendment" to the Constitution for the sake of minimizing social cost in reforming the Constitution.

They said the "temporary provisions effective during the period of communist rebellion" should be annulled and replaced by new provisions.

Cheng noted that the jury system could be added to provisions governing the nation's judiciary system.

Chang King-yu opposed writing a new constitution because Taiwan Chinese account only for two percent of all Chinese, and thus had no right to represent the Republic of China.

Another reason for their objection to replacing the existing constitution with a new one was that drafting a new constitution might incur social turmoil and generate a crisis of national identity.

As to the problem of who should be charged with reforming the Constitution, an absolute majority of the participants in all five groups agreed that the current national assembly staffed by senior members could no longer win the people's trust, so a new assembly should be elected to do the job.

A small minority, though, suggested that the current assembly be given the responsibility to amend the Constitution according to the public will. "This should be the senior members' last job before retiring," Professor Su Chun-hsiung said.

President Li Teng-hui, concerned about the progress of the conference and interested in constitutional debate, arrived in the conference room of group five in the morning and listened to the debate carefully.

Accompanied by Y.S. Tsiang, presidential secretary general and convener of conference organizing committee, President Li also visited the other four groups to hear participants' opinions.

First Plenum To Start

OW0207061990 Taipei CNA in English 1531 GMT
1 Jul 90

[Text] Taipei, July 1 (CNA)—The National Affairs Conference will begin its first full session on parliamentary reform Monday morning in Taipei following three days of group discussions.

On Monday afternoon, the second full session will discuss the local government system.

A spokesman for the conference secretariat said that the participants will hear reports from each discussion group at the beginning of the full session.

The National Affairs Conference, which began June 28 at the Grand Hotel in Taipei with 140 delegates participating, will close Wednesday.

Agreement on Election of President

OW0307075890 Taipei CNA in English 1523 GMT
2 Jul 90

[Text] Taipei, July 2 (CNA)—Kuomintang [KMT], Democratic Progressive Party [DPP] and independent delegates at the National Affairs Conference reached a "preliminary consensus" on the popular election of the Republic of China's future president Monday.

However, the ruling and opposition parties differed on how to elect the president, who has been elected by the National Assembly.

Another major consensus reached between the KMT and the opposition DPP was the retirement of all senior parliamentarians as soon as possible and replacing them with locally elected members of parliament.

These agreements were reached after KMT Secretary General James Soong, and Deputy Secretary General Cheng Hsin-hsiung; DPP Chairman Huang Hsin-chieh and Secretary General Chang Chun-hsiung; Chen Yung-hsing and Kang Ning-hsiang, two important DPP figures; and independent politician Wu Feng-shan met at the Grand Hotel to exchange views on the issues.

Cheng Hsin-hsiung told the press that though the ruling and opposition parties had agreed in principle to the popular election of the president, further discussions were needed on the method of electing the chief of state.

He noted that opinions of scholars and other independents must also be respected, so no conclusion should be reached before the whole conference holds a final debate.

As to the DPP's proposal that all conclusions reached at the conference be confirmed by a "national referendum," Cheng said that since there was no legal basis for such a proposal, it would be "hard to accept."

Chiu Chin-yi, presidential spokesman, said President Li Teng-hui had no preferences on the issue of the popular election of the president. "The president will respect the conclusions reached at the conference," he added.

The spokesman noted that President Li had made it clear he would serve only one term, so it should be unlikely that he would oppose the popular election of the president.

Guidelines on PRC Investment To Be Issued

OW0307112590 Taipei CHUNG-KUO SHIH-PAO
in Chinese 18 Jun 90 p 1

[Report by reporter Chao Wen-hui from Taipei]

[Text] Ma Ying-chiu, executive secretary of the Task Force for Mainland Affairs under the Executive Yuan, said yesterday: The government will make clear and definite stipulations on investment by Taiwan factories and businessmen on the mainland. In addition to publishing a list of certain industries which are banned from making investment on the mainland, the Ministry of Economic Affairs will form a committee, composed of industrialists, government officials, and scholars, to examine applications for investment on the mainland.

Ma Ying-chiu made these remarks at a symposium on "understanding questions concerning both sides across the strait" sponsored by the National Policy Research Center.

Ma Ying-chiu pointed out: The industries banned from making investment on the mainland include the national defense industry, controlled high-tech industries, key industries with government support, and any industries greatly affecting other industries.

Ma Ying-chiu said: Because the list of bans deals with generalized restrictions only, the Ministry of Economic Affairs will form a committee, composed of industrialists, government officials, and scholars, to examine applications for investment on the mainland. The committee will readjust flexibly the criteria for examination with the changes of time and environment.

He pointed out: Some people think that the government should encourage Taiwan's industries to invest in the mainland. Such encouragement must be based on the government's ability to protect the investors. However, the government is still unable to do so at the present. This is why the government must make an in-depth appraisal of the matter before it can decide whether it should encourage such investment.

Cheng Chu-yuan, professor of Ball State University in the United States, proposed during the meeting: In formulating the policies concerning investment on the

mainland, the government should permit medium and small enterprises and sunset [hsi yang kung yeh 1119 7122 1562 2814] industries to invest on the mainland, but it should restrict investment by large industries that could affect the foundation of Taiwan's economy. It should also formulate penalty provisions to prevent Taiwan factories and businessmen from making unauthorized investment on the mainland.

According to Ma Ying-chiu, the plan conceived by the Ministry of Economic Affairs mostly is in line with Professor Cheng's proposal. It is reported that the Ministry of Economic Affairs has set up an ad hoc group to formulate procedures for managing indirect investment on the mainland. From now on, the ministry will provide factories and businessmen with relevant information, and anyone who violates the law will be subject to administrative discipline, such as revocation of government loans.

Talks With Mainland on Intermediary Body Declined

OW3006212890 Taipei CNA in English 1536 GMT
30 Jun 90

[Text] Taipei, June 30 (CNA)—The time was not ripe for the Republic of China [ROC] to send official representatives to the mainland for talks with communist China on forming an intermediary agency to handle civilian exchanges across the Taiwan Straits, Vice Premier Shih Chi-yang said Saturday.

Formation of the proposed intermediary body should be left to private groups on the two sides of the straits, Shih told reporters who asked for comment on a Chinese communist proposal for such talks.

Chinese Communist Party general secretary Jiang Tse-min (Jiang Zemin) reportedly told a Taiwan business group Friday that Peking wished that President Li Teng-hui would send an official representative to the mainland for talks on the across-strait body.

Shih noted that Peking had not yet changed its hostile attitude toward Taipei. He reiterated that the time would not come for Taipei to talk with Peking as long as the Chinese communists refused to lower their hostility and to abandon their attempt to take Taiwan by force.

He also questioned Peking's validity in insisting that the General Agreement on Tariffs and Trade (GATT) admits the ROC to the international trade group only after the mainland gains GATT membership.

Why should the ROC, the world's 13th biggest trading country in 1989, enter GATT at the tail of Peking and not before it? he asked.

PRC Man Who Stopped Tanks Reportedly Killed

OW0307072990 Taipei Domestic Service in Mandarin
2300 GMT 1 Jul 90

[From the "National Hookup" program]

[Text] According to the latest issue of the Hong Kong fortnightly "BAI XING," Wang Wei-lin [Wang Weilin], the young man who blocked a column of communist tanks during the June 4th incident in Peiping last year has been killed by the Chinese Communists.

People throughout the world admired Wang's courage. Even U.S. President Bush endorsed Wang's courage.

The journal points out that although Chinese Communist General Secretary Chiang Tse-ming [Jiang Zemin] said during a televised interview with U.S. journalist Barbara Walters that Wang was not killed by tanks, his claim was deleted by HSINHUA [XINHUA] when it reported about the interview, because many people in Peiping knew that the Chinese Communists had killed the young man after arresting him.

Hwang Tien-tsai Becomes CNA Board Chairman

OW3006043790 Taipei CNA in English 0350 GMT
30 Jun 90

[Text] Taipei, June 30 (CNA)—Veteran journalists Hwang Tien-tsai and Joe Hung became board chairman and president of CENTRAL NEWS AGENCY respectively in a changeover ceremony held in CNA Saturday morning.

Hwang, formerly CNA president, replaced Tsao Sheng-fen, who retired on the same day, while Hung took up the post left by Hwang.

Exports to Soviet Union Increase in 1990

OW0207061790 Taipei CNA in English 1519 GMT
1 Jul 90

[Text] Taipei, July 1 (CNA)—The Republic of China's exports to the Soviet Union in the first five months of this year grew over 400 percent, topping the list of trade with Eastern Europe, according to the Board of Foreign Trade [BOFT].

BOFT pointed out that in the January-May period of 1990, total value of Republic of China exports to Russia reached 16 million U.S. dollars, an increase of 413 percent as compared with 1989's figure of 3.1 million U.S. dollars.

In 1989, the nation's exports to Russia totalled 20 million U.S. dollars. This year's total trade with the Soviet Union will certainly surpass that amount, following the nation's lifting of a ban on direct trade with Russia in February this year, BOFT said.

BOFT added, however, that the nation still lagged far behind South Korea in trade with the Soviet Union. South Korean exports to Russia in the first quarter of 1990 totaled 100 million U.S. dollars, almost 15 times larger than 1989, BOFT said.

BOFT attributed the slow growth in exports to the lack of large-scale trading companies; South Korea, BOFT explained, has an active and progressive policy of encouraging big traders to promote trade with the Soviet Union.

Trade Board Welcomes German Unification

OW0207043690 Taipei CNA in English 0236 GMT
2 Jul 90

[Text] Taipei, July 2 (CNA)—The unification of Germany will facilitate the Republic of China's [ROC's] efforts to promote trade with Eastern and Western Europe, according to the Board of Foreign Trade [BOFT].

The BOFT said that West Germany was the ROC's largest trading partner in Europe, and East Germany was the second largest in the East bloc, next only to Poland.

The ROC has been working recently to diversify export markets from the U.S. to Europe. Two-way trade between this country and West Germany has grown consistently in recent years.

The BOFT also predicted that the ROC's exports to Eastern Europe would grow faster than trade with all other regions of the world.

The BOFT has already set up Taiwan trade centers in Hamburg and Dusseldorf as bases to promote ROC trade with EEC and Eastern bloc.

The economic unification of West and East Germany is a historical event, which BOFT believed will allow the ROC to further strengthen its trade and economic relations with the united Germany.

Hong Kong

Editorial Urges Confidence Building

HK0107040290 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 1 July 90 p 16

[Editorial: "Seven Years To Build Confidence Factor"]

[Text] Today's date is one of triple significance for Hong Kong. In exactly seven years sovereignty over Hong Kong will revert to China, bringing an end to almost a century and a half of British colonial rule. It is also the 69th anniversary of the founding of the Chinese Communist Party and the national day of Canada, a country which has received the bulk of Hong Kong emigrants and a huge infusion of local capital.

An estimated HK\$19 billion poured into Toronto and Vancouver last year, helping to drive up real estate prices in a society that still feels ambivalent about the dramatic changes caused by this influx. The flight of the elite and their money is a worrying trend that shows no sign of easing during a fitful transition.

There are two ways of viewing the future. Hong Kong can believe the Domsday merchants and prepare for the worst. Or it can face the next seven summers with measured confidence and courage. Long on pragmatism, many are hedging their bets and seeking an insurance policy, be it British citizenship for which 225,000 will ultimately qualify or another foreign passport. This acute anxiety will compel more to join the hundreds of thousands who are seeking to join those in Canada, the United States and Australia. Most will probably remain overseas, while others might return.

To encourage their return, more must be done to instil confidence. The megaphone diplomacy that has characterised relations between China and Britain must be replaced by a willingness to resolve outstanding differences.

The visit to Beijing later this month of British Minister with Special Responsibility for Hong Kong, Mr Francis Maude, is a positive step, to be followed by a visit from the Foreign Secretary, Mr Douglas Hurd later this year.

In his talks with Beijing leaders, Mr Maude will need to allay suspicions about his country's nationality package for 50,000 key families. For its part, China could modify its image in Hong Kong by softening its opposition to the package.

Mr Maude and Mr Hurd can explain to the Chinese better than anyone from Hong Kong that the nationality scheme endorsed by the House of Lords on Friday is not meant to siphon the top professionals, entrepreneurs and administrators from the territory. Unlike the relaxed Canadian immigration policy, especially its controversial investor category designed to lure away Hong Kong money, the British package will induce its recipients to stay. The Chinese threat not to recognise foreign passports held by Hong Kong residents and to deny these people sensitive

jobs in government will sabotage the package and affect the administration of, and business faith in, the territory.

China's scepticism over the proposed airport and port development is also worrying. So far, the dispatch of specialists from Beijing to scout for another site for the replacement airport and reluctance to back the project smacks of short-sighted political posturing. Ultimately China should realise that it stands to benefit from the project. Much of the demand for imported labour and raw material will be met by China, thus helping to spur its own economic reforms and contribute to its strategy for transforming the Pearl River estuary into one industrial and financial nexus with its heart in Hong Kong. Rather than subject an economic decision to political considerations, China should analyse the airport and port project strictly on its merits.

The Beijing Government has for the past year weighted Hong Kong's economic worth with its potential political liability to the mainland. As China and the Communist Party recover from the backlash after the excessive violence of last June, its more pragmatic leaders have begun to realise that Hong Kong requires encouragement, not bluster and threats. The Basic Law's guarded approach to democratic evolution in Hong Kong is not immutable and could be moderated with the future assent of the National People's Congress when China itself adapts to the moderating trend in other parts of the world. But for now China must not thwart in any way the direct elections to the Legislative Council next year.

The success of next year's elections is paramount for it will set the tone for an autonomous Hong Kong whose people will be able to govern themselves and work with the mainland for a progressive China. Neither democracy nor the Bill of Rights is intended to curtail Chinese sovereignty; rather they are manifestations of the people's growing political and constitutional maturity.

The concern about the exodus is reflected in the Hong Kong Government's special task force assigned with the responsibility of compiling a profile of the emigrant. The current policy of not actively discouraging people from leaving—for the freedom of movement is fundamental to confidence in Hong Kong—and providing the environment for them to return must be maintained. Though estimates suggest only one in 10 is prepared to return, those who do will bring with them expertise and experience gleaned from abroad that can only enhance Hong Kong's image as an international centre. Those who fill the vacuum left by the brain drain also contribute towards making the territory a cosmopolitan city. The commitment to more international schools, better educational and training opportunities and attractive employment terms for these returning sons and daughters are signs that Hong Kong is tackling its problems.

On this day in 1997, Canada will be celebrating its 130th and the Chinese Communist Party its 76th anniversaries. For Hong Kong, it will mark the start of a new era. As the territory counts down this final decade towards

the 1997 handover there is much to be done to build and maintain its drive and spirit.

China's Role in Territorial Stability Cited

HK0107034490 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 1 Jul 90 p 17

[By Lo Chi-kin]

[Text] It seems that the news value of the director of the Hong Kong branch of the New China News Agency, Mr Zhou Nan, has been rapidly diminishing. So far, Mr Zhou has displayed a contrasting style to his predecessor, Mr Xu Jiatun. He has maintained a stern appearance and kept strictly to the official line. The press seldom finds anything exciting to the official line—or, consequently, his public statements.

The latest example is Mr Zhou's speech at a recent luncheon organized by the Hong Kong General Chamber of Commerce. The occasion, which had the potential to grab the news headlines, received poor press coverage. The reporters were more interested in Mr Zhou's quotation from Shakespeare's Romeo and Juliet than in the substance of his speech.

At first glance, there is nothing new in Mr Zhou's speech. He repeated the official line that under the concept of "one country, two systems", people in Hong Kong should not attempt to impose their capitalist system, way of life and value concepts upon the mainland. He reiterated that it was essential for Hong Kong to create an atmosphere of harmony and co-operation with the mainland in order to maintain its long-term stability and prosperity.

Besides these rehearsed positions, though, Mr Zhou raised an interesting observation as regards the China-Hong Kong relationship. He said "a stable and prosperous China not only constitutes the key to the stability and prosperity of Hong Kong but is also an essential factor in stabilising the situation in Asia and the world".

This observation echoes recent remarks by China's paramount leader, Mr Deng Xiaoping, as reported by local pro-Beijing newspapers and magazines. Mr Deng was quoted as saying that if mainland China plunged into turmoil, its neighbours, including Hong Kong, would suffer. Mr Deng warned that turmoil in China could lead to a large-scale exodus of its people. He added spice to his warning by making wild projections that 100 million would go to Indonesia, 50 million to Thailand, and 500,000 to Hong Kong.

Mr Deng's remarks reflect a subtle change in Beijing's response to outside criticisms about the brutal crackdown on the democracy movement last year. In addition to the high sounding principles of sovereignty, national independence, and non-interference in internal affairs, Beijing is now appealing to the self-interests of its foreign critics. Western countries are urged not to impose sanctions on China or support the democracy movement there because such actions are detrimental to their own interests. The

same logic was applied by Mr Zhou in his speech to the Hong Kong General Chamber of Commerce.

The argument that an unstable China is detrimental to Hong Kong's interests can hardly be challenged. It is supported by historical examples. Most of the major disturbances in the history of Hong Kong were related to the political struggles in China.

For example, the year-long general strike in 1925-26 was co-ordinated by trade unions in Guangdong as part of the Chinese nation's struggle against British imperialism. The 1956 riot was initiated by pro-Taiwan forces. The 1967 riot was an outgrowth of the Cultural Revolution.

Hong Kong has been adversely affected by other troubles on the mainland in the past few decades. When the United Nations imposed a trade embargo against China during the Korean War, Hong Kong lost its entrepot status. The failure of the Great Leap Forward created a serious refugee problem for Hong Kong in the early 1960s.

On the other hand, the benefits that Hong Kong can reap from a stable and prosperous China are obvious. Hong Kong enjoyed its best times during the 1980s when China was stable, committed to economic modernisation and open to the world. With the vast economy of China as its hinterland, Hong Kong enjoys a unique position which is envied by other newly-industrialised economies in the region.

Developments in the past year provide further evidence on Hong Kong's dependence on a stable and prosperous China. The local confidence crisis as a consequence of the Tiananmen Square incident has resulted in a slow-down in investment and faster outflow of talent.

In view of this, it should not be difficult for Mr Zhou to win many sympathetic ears for his argument. Indeed, local businessmen recently have worked very hard to lobby for extending China's Most Favoured Nation status with the United States.

Nonetheless, Mr Zhou has inadvertently confirmed the long-standing fear of many people in Hong Kong. That is, Hong Kong can be easily destabilised by events on the mainland. This is exactly the root of the confidence crisis which has been growing since China announced its decision to redeem Hong Kong by 1997.

Mr Zhou has also exposed the fallacy of Beijing's often repeated pledge in the past several years that its policy towards Hong Kong would not change under any circumstances. The pledge has never been convincing in the eyes of the people of Hong Kong. It is even less so now after Mr Zhou's recent statement.

The original intention of Mr Zhou should be to discourage the people of Hong Kong from supporting the democracy movement on the mainland. However, it is common sense that tiny Hong Kong can hardly destabilise China. The stability of China rests on its domestic situation which is beyond Hong Kong's control.

Even if the people of Hong Kong take the advice from Mr Zhou and do not dabble with politics on the mainland, there is no guarantee that China will remain stable and prosperous. Their fear remains and is totally justified.

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